MONITORING CANADA'S ACCOMMODATION INDUSTRY DURING A CHALLENGING YEAR – 2003

THE IMPACTS OF THE IRAQ WAR and SARS

Report #4

2003 ANNUAL RESULTS

Prepared For:

Ontario Ministry of Tourism and Recreation and
Canadian Tourism Commission

Prepared by:

PKF CONSULTING

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March 12, 2004

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RE: THE IMPACTS OF THE IRAQ WAR and SARS ON CANADA'S ACCOMMODATION INDUSTRY – 2003 ANNUAL RESULTS

In accordance with the terms of engagement, PKF Consulting is pleased to present the results of our analysis of the impacts of the Iraq War and SARS on the accommodation industry in Canada, during 2003. This report is the **4th and Final** of a series of quarterly reports, with the objective of summarizing the health of Canada's accommodation industry during 2003.

The Canadian accommodation industry was off to a good start in 2003, exceeding 2002 Quarter 1 room revenue by 3.6%. Shortly into the second quarter, the industry was devastated by the outbreak of SARS costing the industry an estimated $316 Million in lost room revenue in the 2nd Quarter alone. Being the peak travel season for many Canadian markets, Quarter 3 was almost as devastating as Quarter 2 with a $284 Million year over year decline in room revenue. Fortunately, the downward trend ceased by the 4th Quarter with national demand off by 6.3% and rate by 4.0%. In the 4th Quarter national demand improved by nearly one percent, however it was offset by an increase in supply and a decrease in rate resulting in a relatively flat year over year room revenue. Annual 2003 national results resulted in a 1.1% increase in supply, a 4.0% decline in demand and 2.4% erosion of rate. Overall, **national room revenue declined by $542 Million in 2003** compared with 2002.

We appreciate this opportunity to provide our services in this ongoing analysis. Should you have any questions regarding the preceding analysis, please do not hesitate to contact us at your convenience.

Yours very truly,

PKF Consulting

PKF CONSULTING

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EXECUTIVE SUMMARY

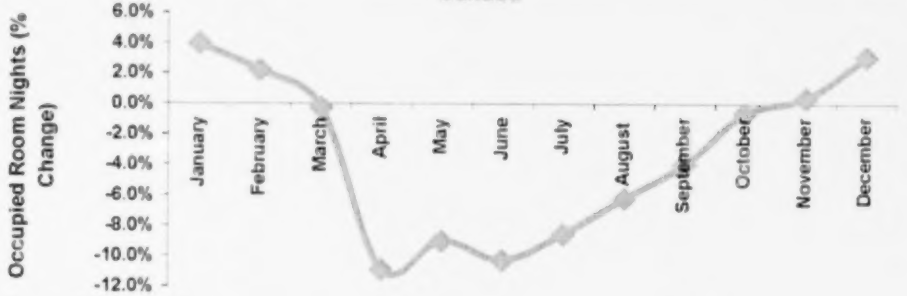
MEASURING THE IMPACTS OF THE IRAQ WAR AND SARS ON CANADA'S ACCOMMODATION INDUSTRY – 2003 Annual Results

Prior to the onset of SARS (Severe Acute Respiratory Syndrome), there were differing opinions as to where the accommodation industry in Canada was headed. Most had expected a recovery in 2002 that never materialized and generally speaking the industry was approaching 2003 with guarded optimism. In late March 2003, the Ontario Ministry of Tourism & Recreation and the Canadian Tourism Commission retained PKF Consulting to monitor the impact of the then impending war in Iraq on the Canadian Accommodation Industry. Shortly thereafter, the study was broadened to include the impact of the SARS crisis, which remained the dominant issue for the study.

2.9 Million Room Nights Lost in 2003 Across Canada

While the Canadian accommodation industry started the year off well, posting a 3.0% increase in overnight demand in January and February 2003, demand levels started slipping in March, and thereafter fell sharply by 11% in April, and a further 9 to 10% per month in May, June and July, before seeing some recovery in August and September. April results posted a shortfall of over 650,000 occupied room nights, with May results almost as equally devastating with over 586,000 room nights lost, before the damage accelerated with the onset of Canada's peak summer travel months. June and July posted losses of 720,000 and 642,000 occupied room nights, respectively, with the situation improving somewhat in August, which recorded 495,000 lost room nights and September, which reported 280,000 room nights lost. Demand was off slightly in October before posting gains in November and December. In all, the industry has suffered a total deficit of over 2.9 Million room nights in comparison to 2002's performance.

Exhibit 1: Accommodation Demand % Change (2003 over 2002)
Canada

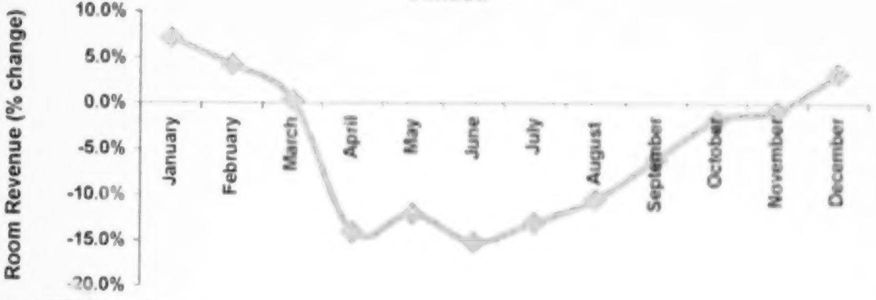


Source: PKF Consulting

2003 Rooms Revenue Down by $542 Million Across Canada

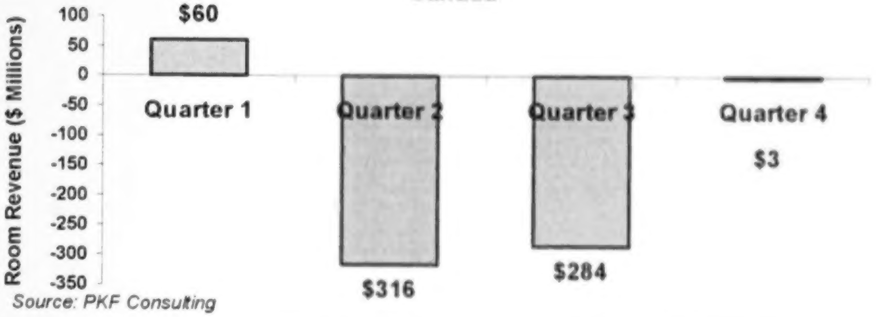
During the month of April, with the onset of SARS and the lingering effects of the Iraq War, Canada as a whole lost $91 Million in room revenue in comparison to last year. Faced with a travel advisory and a second wave of the SARS outbreak in May, the industry endured a further attrition of $90 Million in room revenue. Already in distress, accommodation providers suffered an additional $135 Million year-over-year decline in the month of June. Over the course of the summer months, Canada's accommodation industry as a whole, lost $125 Million in room revenues in July, $106 Million in August and $52 Million in September, bringing Quarter 3 losses to $284 Million – 90% of the losses already endured in Quarter 2. Quarter 4 room revenue declined by $2.6 Million due to an erosion of room rates. Accounting for the other on-site ancillary sources of revenue generated by the accommodation sector, Canada's combined accommodation revenue loss is estimated at $910 Million for 2003.

Exhibit 2: Room Revenue % Change (2003 over 2002)
Canada



Source: PKF Consulting

Exhibit 3: Room Revenue Change - 2003 vs. 2002
Canada



Source: PKF Consulting

Ontario Suffers Lion's Share of Impacts – Loss of $335 Million in Rooms Revenue -- 62% of the 2003 National Loss

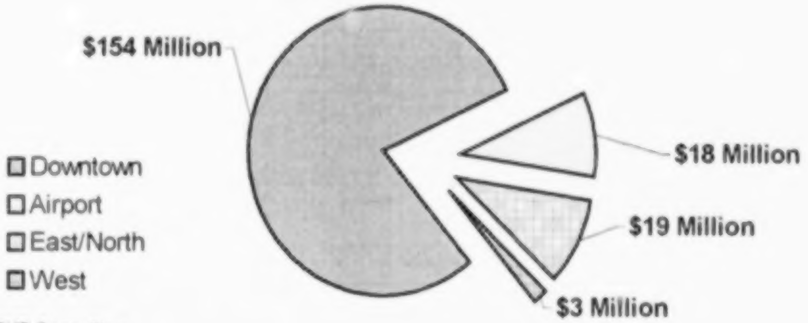
Demand for Ontario's hotels was up by over 205,000 room nights or 4% in Quarter 1, 2003, before taking a sharp turn in the other direction and reporting a loss of over 1 Million room nights in Quarter 2 followed by a further attrition of 668,000 room nights in Quarter 3. This represents a $339 Million decline in room revenue during Quarters 2 & 3 or 63% of the national loss. Despite strong demand recovery in the 4th Quarter, a continued erosion of average daily rates led to Ontario's accommodations recording a $21 Million decline in 4th Quarter room revenue. Ontario's hotel occupancy for the year was 57% – 5 points below last year's occupancy of 62%. Ontario's average daily rate eroded by $7 in 2003, from $119 in 2002, to $112 in 2003.

Greater Toronto Area the Most Distressed Market-- $195 Million in Room Revenue Lost in 2003, $154 Million Amongst Downtown Toronto Hotels

Hotel demand in the Greater Toronto Area was up by approximately 85,000 room nights during the first quarter of 2003, or 4.8%, before the phone starting ringing in April with cancellations and stopped ringing for future bookings. During Quarter 2 the GTA hotel industry lost an estimated 591,000 occupied room nights, representing over $111 Million in room revenue. While not as devastating as the previous quarter, Quarter 3 results showed a further loss of 281,000 room nights, equating to a deficit of $75 Million in room revenue compared to the same quarter last year. While 4th Quarter demand recovered, revenue remained depressed, declining by $15 Million compared to 2002 due to rate erosion. Overall, accommodation providers in the Greater Toronto Area lost $195 Million in room revenue during 2003.

Of the $195 Million in room revenue lost across the GTA, $154 Million was amongst Toronto's downtown hotels -- 79¢ of every dollar lost in the GTA. Downtown Toronto occupancy levels, reached 66% during the 4th Quarter of 2003 the same level achieved in the 4th Quarter of 2002. Overall occupancy levels for 2003 dropped to a low of 43% in April and May and on average was 59% for the year compared to an average of 68% for 2002. Toronto downtown hotels also lost rate integrity, with 2002's ADR of $162, falling to $140 in 2003.

Exhibit 4: 2003 Room Revenue Loss ($195 Million)
Greater Toronto Area



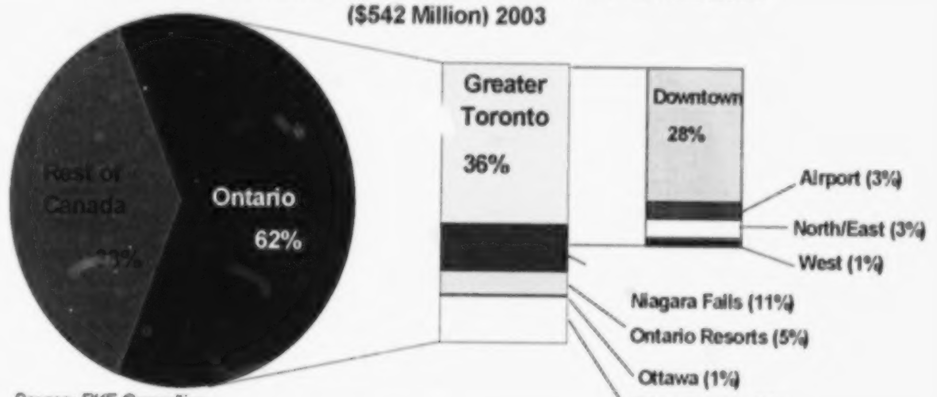
Source: PKF Consulting

Other Ontario Markets Impacted

Although downtown Toronto hotels were the hardest hit in 2003, the impact of SARS and to a lesser extent the economic conditions, has had a rippling effect across Ontario's other major markets. In particular:

- Ontario Resorts lost over $28.4 Million in rooms revenue during 2003 – 121,000 fewer occupied room nights than 2002;
- Niagara Falls lost 240,000 occupied room nights, and $57 Million in rooms revenue;
- Toronto Airport hotels were off by $18.4 Million in rooms revenue, and generated 113,000 less occupied room nights than last year;
- Toronto East/North properties were down by over 125,000 occupied room nights, and $18.9 Million in lost rooms revenue;
- Windsor hotels reported room revenue losses of over $5.3 Million, with a shortfall of 35,000 in occupied room nights compared to last year; and
- Ottawa's 2003 losses totaled $1.5 Million compared to 2002.

Exhibit 5: Ontario's Share of National Room Revenue Loss ($542 Million) 2003



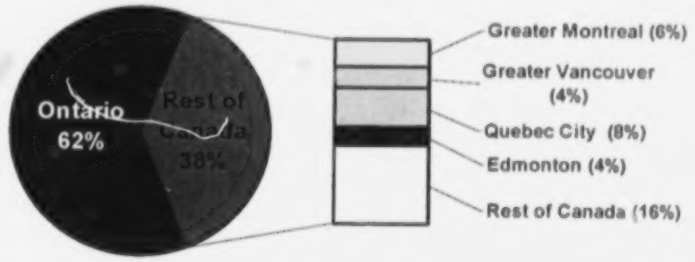
Source: PKF Consulting

Impacts Also Felt Across Other Canadian Markets

Nationally, of the $542.1 Million in lost rooms revenue in 2003, 38% has been in markets outside of Ontario. Specifically,

- Greater Montreal hotels reported a loss of 206,000 occupied room nights in 2003, representing over $33.5 Million in rooms revenue;
- Greater Vancouver was down by over 13,000 occupied room nights during 2003 and lost an estimated $22.9 Million in rooms revenue due to a 3% decline in average rate;
- Quebec City was down by 212,000 occupied room nights, equating to a loss of over $44.1 Million in rooms revenue;
- Calgary hotels and Alberta Resorts reported a loss of approximately 106,000 and 247,000 occupied room nights per market respectively, equating to a room revenue loss of $15.1 Million for Calgary and $38.9 Million for Alberta Resorts; and
- Although the Edmonton hotel market was off by 355,000 occupied room nights in 2003 (a loss of $20.3 Million in rooms revenue after a 5% increase in rate), this decline was largely attributable to the conclusion of the 2001/02 phase of the Shell Athabasca project which resulted in a strong 2002 industry performance.

Exhibit 6: Other Major Market's Share of National Room Revenue Loss ($542 Million) 2003



Source: PKF Consulting

Other Ontario Markets Impacted

Although downtown Toronto hotels were the hardest hit in 2003, the impact of SARS and to a lesser extent the economic conditions, has had a rippling effect across Ontario's other major markets. In particular:

- Ontario Resorts lost over $23.4 Million in rooms revenue during 2003 – 121,000 fewer occupied room nights than 2002;
- Niagara Falls lost 246,000 occupied room nights, and $57 Million in rooms revenue;
- Toronto Airport hotels were off by $16.4 Million in rooms revenue, and generated 110,000 less occupied room nights than last year;
- Toronto East/North properties were down by over 125,000 occupied room nights, and $18.9 Million in lost rooms revenue;
- Windsor hotels reported room revenue losses of over $5.3 Million, with a shortfall of 35,000 in occupied room nights compared to last year; and
- Ottawa's 2003 losses totaled $1.6 Million compared to 2002.

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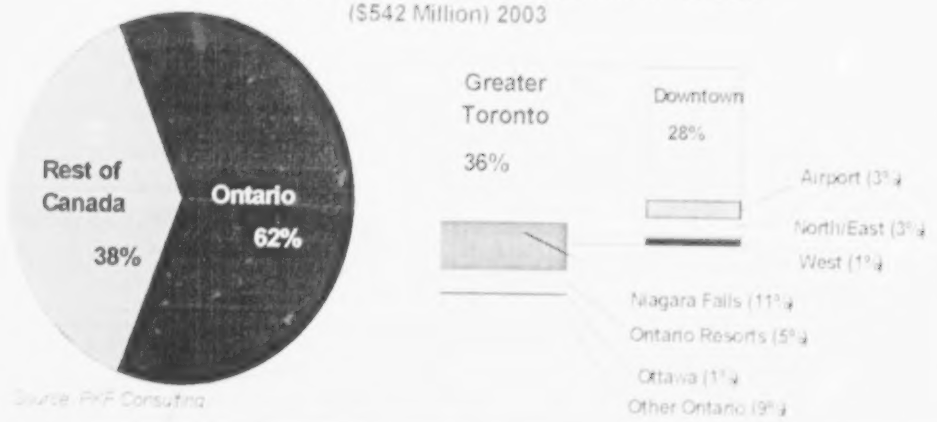


Source: PKF Consulting

Impacts Also Felt Across Other Canadian Markets

[illegible] $542.1 Million in lost room revenue in 2003, [illegible] was lost to markets outside of Ontario. Specifically:

- Greater Montreal hotels recorded a loss of [illegible] occupied room nights in 2003, representing over $[illegible] Million in rooms revenue.

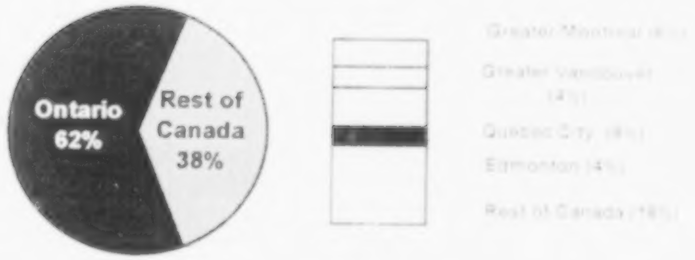
- Greater Vancouver was down by over [illegible] occupied room nights during 2003 and lost an estimated $[illegible] Million in rooms revenue due to a [illegible] decline in average rate.

- Quebec City was down by [illegible] occupied room nights, equating to a loss of over $44.1 Million in rooms revenue.

- Calgary Hotels and Alberta Resorts reported a loss of approximately [illegible] and [illegible] occupied room nights per market respectively, equating to a room revenue loss of $[illegible] Million for Calgary and $[illegible] Million for Alberta Resorts, and

- Although the Edmonton hotel market was off by [illegible] occupied room nights, a total loss of $[illegible] Million in rooms revenue after a [illegible] decrease in rate, this decline was largely attributable to the conclusion of the [illegible] which resulted in a strong 2002 industry performance.

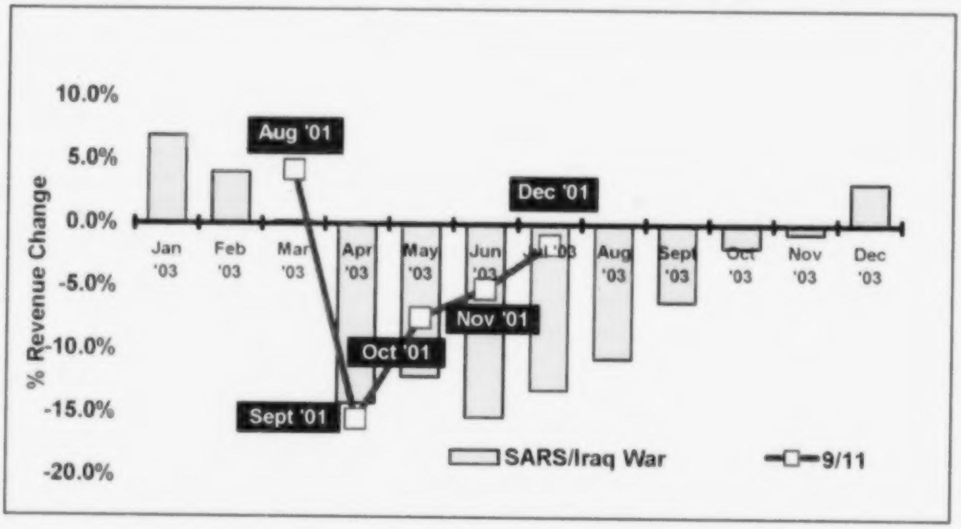
Exhibit 6: Other Major Market's Share of National Room Revenue Loss ($542 Million) 2003



Source: PKF Consulting

9/11 vs. SARS

By comparing the impacts of 9/11 on Canada's accommodation industry with the outbreak of SARS and the Iraq conflict, it is evident that the industry impacts were felt in a very different manner. First losses associated with 9/11 were concentrated in the month of September, which realized 51% of the total room nights lost due to this event. Each month thereafter the losses were cut in half and by December 2001, direct losses associated with 9/11 were negligible. The losses conversely associated with the SARS Outbreak escalated with the approach of Canada's peak tourism season. The greatest impacts were realized in the month of June as markets dependent on international tour group business and meeting/convention demand were faced with insurmountable losses. Unfortunately, the fact that the SARS Outbreak began to impact the industry as the peak season approached magnified the absolute room night and dollar losses.



Secondly, the impact of SARS was concentrated in Ontario and more specifically in the GTA market. The impacts of 9/11 were more evenly spread throughout the country with about 40% of the loss realized in Ontario and 22% in the Greater Toronto Area. Conversely, over 60% of the impacts resulting from SARS were in the Province of Ontario and 40% in the GTA.

Overall the Canadian accommodation industry suffered **a loss of over 2 million occupied room nights at an estimated value of $350 million – post 9/11**. In comparison, **SARS and the events of 2003, have caused the industry a total deficit of over 2.9 Million occupied room nights in, equating to an estimated $542 Million in lost room revenue.**

Positive Trend Expected to Continue into 2004

It is expected that the upward demand trend will continue into the first Quarter of 2004. Preliminary numbers for the month of January indicate that National demand was off by a mere 0.3% or 20,000 occupied room nights compared to 2002.

1.0 INTRODUCTION

1.1 ON THE HEELS OF 9/11... IRAQ WAR, SARS & BSE

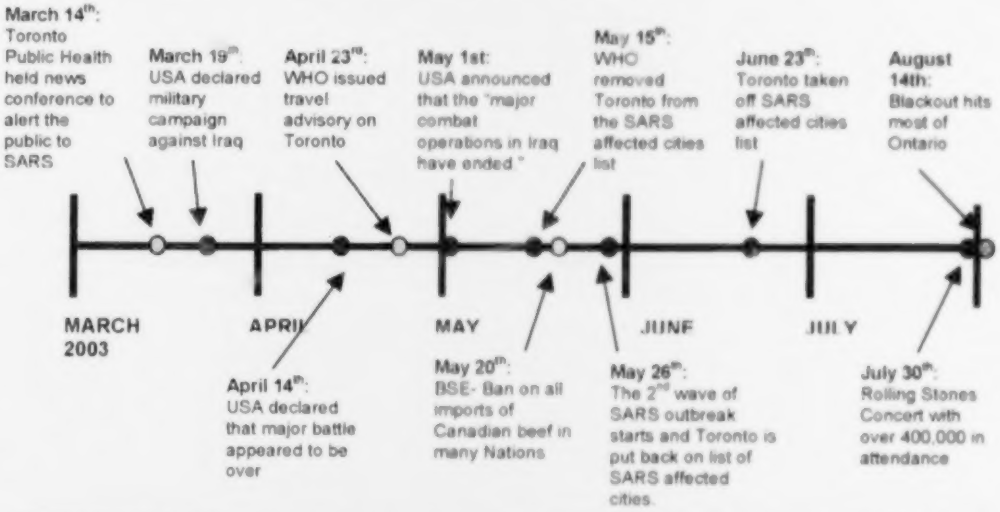
Canada's tourism industry has been severely impacted by both the Iraq War and the outbreak of Severe Acute Respiratory Syndrome (SARS) in the first nine months of 2003. With rumblings surrounding the impending war in Iraq first stirring in Quarter 3 of 2002, the US led war against officially began on Wednesday March 19th when President George W. Bush declared a military campaign against Iraq. After several weeks of battling and while some fighting was still going on, the United States of America had declared on April 14th that the major battle appeared to be over. However, it was not until May 1st that President Bush announced that the "major combat operations in Iraq have ended."

Just when Canadians thought the country's economy would improve with the Iraq War concluded, the outbreak of Severe Acute Respiratory Syndrome (SARS), a respiratory illness with pneumonia-like symptoms once again threatened the Canadian tourism industry.

On March 14th, Toronto Public Health held its first news conference to alert the public to this fatal epidemic after the first SARS patient died on March 13th at Toronto's Scarborough Grace Hospital. This in turn set off a chain reaction within Toronto and the City was quickly issued a travel advisory on April 23rd from the World Health Organization (WHO) for non-essential travel. Due to intense lobbying efforts on behalf of the municipal, provincial and federal governments, the travel advisory on Toronto was lifted on April 30th and the City was removed from the list of SARS affected cities on May 15th after the disease was thought to be under control. However, Toronto hospitals efforts to curb any further transmission of the disease were unsuccessful and a second wave of SARS outbreak surfaced on May 22nd. Toronto was once again put back on the list of affected areas on May 26th and was subsequently taken off on June 23, 2003.

Further compounding an already devastating situation for Canada's hospitality industry, one lone case of BSE in Alberta (Mad Cow disease) was confirmed by the World Reference Laboratory on May 20, 2003, and within hours a ban on all imports of Canadian beef was announced.

These recent events have had an immediate and devastating impact on Canada's accommodation industry – impacts which have not only been felt in the Greater Toronto Area, but have crippled the tourism industry and economy across the country.


March 14th: Toronto Public Health held news conference to alert the public to SARS
March 19th: USA declared military campaign against Iraq
April 23rd: WHO issued travel advisory on Toronto
May 1st: USA announced that the "major combat operations in Iraq have ended."
May 15th: WHO removed Toronto from the SARS affected cities list
June 23rd: Toronto taken off SARS affected cities list
August 14th: Blackout hits most of Ontario
MARCH 2003
APRIL
MAY
JUNE
JULY
April 14th: USA declared that major battle appeared to be over
May 20th: BSE- Ban on all imports of Canadian beef in many Nations
May 26th: The 2nd wave of SARS outbreak starts and Toronto is put back on list of SARS affected cities.
July 30th: Rolling Stones Concert with over 400,000 in attendance

1.2 MEASURING THE IMPACTS – PKF ANALYSIS

In March 2003, PKF Consulting was retained by the Ontario Ministry of Tourism and Recreation and the Canadian Tourism Commission to analyze the impacts of these recent and ongoing events on Canada's accommodation industry. Similar to the analysis that was undertaken immediately following the tragic events of 9/11, PKF Consulting contacted our "Trends" participants as part of a series of 4 surveys, which took place during 2003 and early 2004.

The first report dated May 30, 2003 provides an analysis of the first Quarter, while the second report and third reports provide an analysis of Quarters 2 and 3 – the Quarters, which experienced the majority of the SARS impact. The subject report attempts to summarize the events and quantify the impacts of the challenges that faced Canadian lodging operators in the 4th Quarter, and for the 2003 year in entirety.

1.2.1 Quarter 4 Survey of Accommodation Operators

During the month of January and February 2004, PKF Consulting undertook a 4th survey of accommodation operators in Canada's major markets through our PKF *Trends in the Hotel Industry National Market Report* participants.[1] This survey was a follow-up to the initial survey issued in April and May 2003, the 2nd survey undertaken in June and July 2003, and the 3rd survey in October and November 2003.

As the final in a series of 4 surveys implemented over the course of 2003, the Quarter 4 2003 survey asked the following questions:

PART 1 QUARTER 1, 2004 BOOKING PACE AND CANCELLATIONS

2004 Occupancy and ADR Budget

1. What is your 2004 budget by month?

Accommodation Booking Pace for Quarter 1, 2004

2. What are your confirmed bookings by month for January, February and March 2003 and 2004, as of January 1, 2004?

Room Cancellations as at January 1, 2004

3. As of January 1, 2004, has your property experienced any cancellations for Quarter 1, 2004 due to Geopolitical reasons, SARS or Other Reasons?

PART 2 ABOUT YOUR 2003 QUARTER 4 RESULTS

Reasons for Quarter 4 2003 Changes in Demand

4. a) *Relative to your 2002 Quarter 4 actuals*, did your property experience a growth in demand or loss in demand in your actual 2003 Quarter 4 results?

   What % of this growth or decline in demand, do you feel was attributable to:
   - National/Provincial Economic Conditions
   - Local/Regional Economic Conditions
   - Destination Marketing Promotions/Packages

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[1] *Trends in the Canadian Hotel Industry, National Market Report* is compiled and produced by PKF Consulting on a monthly basis. This Canadian proprietary database presents occupancy, average daily rate and revenue per available room statistics for 93 geographic regions/markets across Canada, based on the operating results of 176,000 rooms.

- Increased Supply/Competition
- Geopolitical Reasons (Iraq War, Residual 9/11, etc)
- Fears/Impacts Associated with SARS
- Other Reasons, Please specify

Changes to Quarter 4 2003 Market Segmentation

4. b) What % of this change in demand, do you feel has been attributable to the following market segments:
   - Business Travel
   - Independent Leisure Travel
   - Group Leisure Travel
   - Meetings/Convention Travel
   - Government Travel
   - Other Segments

Changes to Quarter 4 2003 Origin Segmentation

4. c) What % of this change in demand, do you feel has been attributable to the following origin segments:
   - Domestic Travel
   - US Travel
   - Overseas Travel

Changes to Primary Mode of Transportation in Quarter 4 2003

4. What are the primary modes of transportation used by your hotel guests in arriving at their destination?
   - Air
   - Automobile
   - Motorcoach
   - Other

   What changes, if any, have you noticed in your guests travel patterns in 2003, as compared to last year?

A total of 162 operators, representing 36,982 rooms responded to our Quarter 4 Survey. The survey responses represent 21% of PKF's *Trends* participants or 11% of Canada's overall accommodation inventory.

Exhibit 2: Major Markets Surveyed in Quarter 4

	Survey Response (Rooms)	% Total Rooms Inventory
Halifax Dartmouth	1,250	27%
Quebec City	2,132	19%
Greater Montreal	2,645	15%
Montreal Downtown		
Montreal Airport		
Ottawa	1,620	16%
Greater Toronto	9,294	32%
Toronto Downtown		
Toronto Airport		
GTA East/North		
GTA West	Insufficient response to report indiv.	
Windsor	228	8%
Ontario Resorts	1,577	10%
Regina / Saskatoon	934	15%
Calgary	1,712	15%
Edmonton	1,427	12%
Alberta Resorts	2,042	19%
Greater Vancouver	2,525	14%
Vancouver Downtown		
Vancouver Airport		
Vancouver Other	Insufficient response to report indiv.	
Other Markets	8,795	
TOTAL	**36,982**	**11%**

- Increased Supply/Competition
- Geopolitical Reasons (Iraq War, Residual 9/11, etc)
- Fears/Impacts Associated with SARS
- Other Reasons, Please specify

Changes to Quarter 4 2003 Market Segmentation

4 b) What % of this change in demand, do you feel has been attributable to the following market segments
- Business Travel
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- Meetings/Convention Travel
- Government Travel
- Other Segments

Changes to Quarter 4 2003 Origin Segmentation

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- US Travel
- Overseas Travel

Changes to Primary Mode of Transportation in Quarter 4 2003

4 What are the primary modes of transportation used by your hotel guests in arriving at their destination?
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Other Markets	8,795	
TOTAL	**36,982**	**11%**

1.2.2 Development of National Impact Model

The reader is referred to our *Quarter 1 Report*, dated May 30, 2003 for an explanation of PKF's **National Impact Model**, which has been utilized to measure the actual performance of the accommodation industry during the January to December 2002 period, against actual and forecasted results by month for 2003. The Impact Model has been applied to each of the provincial, regional, city and sub-markets tracked in our Monthly *Trends* Report (53 markets).

1.3 NATIONAL ACCOMMODATION SUPPLY

Based on the accommodation inventories supplied to PKF by each of the provinces, together with our knowledge of supply additions in the Canadian market, Canada had an estimated supply of 329,360 rooms in 2002 (including only full-year properties of 30+ rooms in size). By 2003, this supply base increased by 1.0%, to an estimated annualized inventory of 332,728 rooms. Table 3 below provides the averaged room supply inventory by province, during 2002 and 2003.

Exhibit 3
Rooms Supply Inventory, by Province (Averaged)
2002 and 2003

Province	2002	2003	% Change
Newfoundland	3,851	3,881	0.8%
PEI	2,715	2,715	0.0%
Nova Scotia	10,238	10,288	0.5%
New Brunswick	7,657	7,751	1.4%
Quebec	56,545	56,685	0.2%
Ontario	105,946	107,080	1.1%
Manitoba	10,371	10,633	2.5%
Saskatchewan	11,014	11,105	0.8%
Alberta	50,446	51,428	1.9%
British Columbia	68,566	69,226	1.0%
Yukon	1,950	1,950	0.0%
NATIONAL	**329,360**	**332,728**	**1.0%**

Source: Provincial Tourism Departments, PKF Consulting and Hotel Association of Canada Inventory prepared by KPMG

2.0 NATIONAL PERFORMANCE OF CANADA'S ACCOMMODATION INDUSTRY – 2003 ANNUAL

2.1 NATIONAL RESULTS – 2003 ANNUAL

Hotel Supply Inventory

- Canada's accommodation inventory averaged 332,930 rooms in 2004 – a 1.1% increase in supply with the addition of 3,546 rooms since 2002.
- PKF estimates that Canada's accommodation inventory will rise to 335,938 guest rooms in 2004 with the addition of 3,008 rooms.

Demand and Rate

- During 2003, Canada's hotel market achieved 59% occupancy at an average daily rate of $113. Occupancy levels were down 3 points compared to last year, with the average daily rate also down by approximately $3.

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Atlantic Canada	62%	$100	61%	$103	-1%	3%	63%	$102
Quebec	65%	$133	61%	$132	-6%	-1%	66%	$137
Ontario	62%	$119	57%	$112	-6%	-6%	60%	$116
Manitoba	60%	$88	59%	$89	1%	1%	59%	$89
Saskatchewan	59%	$81	57%	$87	-1%	7%	59%	$82
Alberta (excl. Resorts)	66%	$95	61%	$97	-5%	2%	64%	$97
British Columbia	59%	$119	58%	$116	0%	-2%	60%	$121
Total Canada	62%	$116	59%	$113	-4%	-2%	61%	$116

Source: PKF Consulting

- Demand for the Canadian accommodation market was **down approximately 3 Million room nights or 4.0% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Canada improved in quarters 1 and 4 by 1.7% and 0.7%, respectively. Canada's accommodations posted demand declines in quarter 2 by 10.0% and by 6.3% in quarter 3.
- Demand is forecasted by PKF to reach 75,203,000 room nights in 2004, a 5.4% increase over 2003.

2.0 NATIONAL PERFORMANCE OF CANADA'S ACCOMMODATION INDUSTRY – 2003 ANNUAL

2.1 NATIONAL RESULTS – 2003 ANNUAL

Hotel Supply Inventory

- Canada's accommodation inventory averaged 332,930 rooms in 2004 – a 1.1% increase in supply with the addition of 3,546 rooms since 2002.
- PKF estimates that Canada's accommodation inventory will rise to 335,938 guest rooms in 2004 with the addition of 3,008 rooms.

Demand and Rate

- During 2003, Canada's hotel market achieved 59% occupancy at an average daily rate of $113. Occupancy levels were down 3 points compared to last year, with the average daily rate also down by approximately $3.

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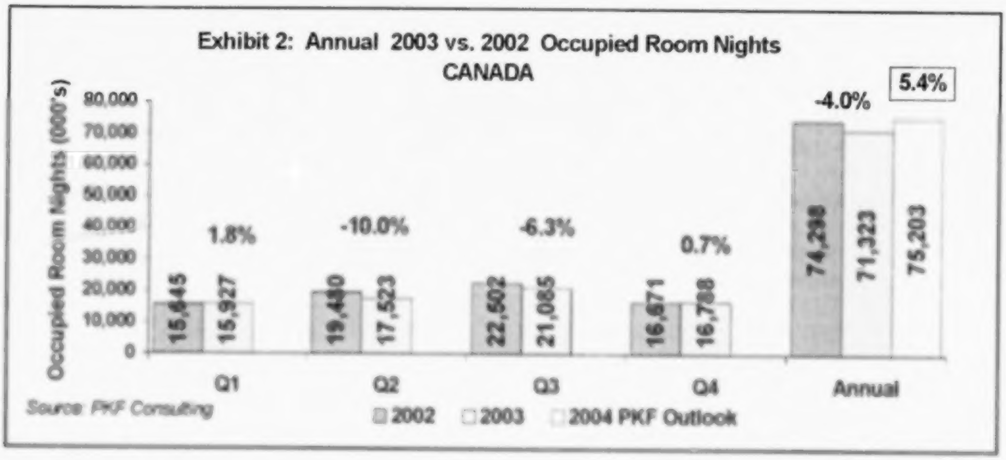


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
CANADA

Source: PKF Consulting

Room Revenue

- Nationally, 2003 room revenue was down by $542 Million compared to the same period last year. The second and third quarters were responsible for nearly all of the national revenue loss.

- Of the total room revenue erosion in 2003, $335 Million occurred in Ontario, $195 Million was in the Greater Toronto Area, and more narrowly, $154 Million was lost by downtown Toronto hotels.

- PKF forecasts that 2004 room revenue in Canada will reach $8.7 Billion, an 8.2% improvement over 2003.

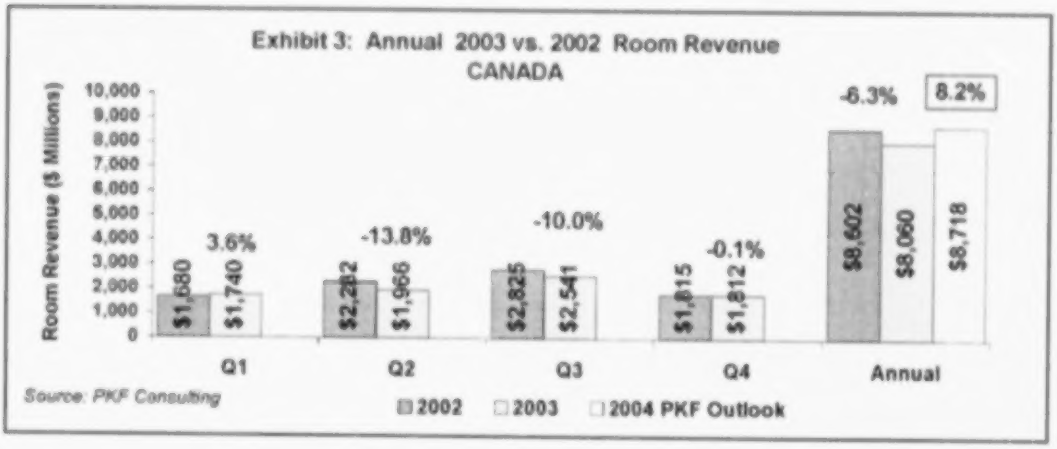
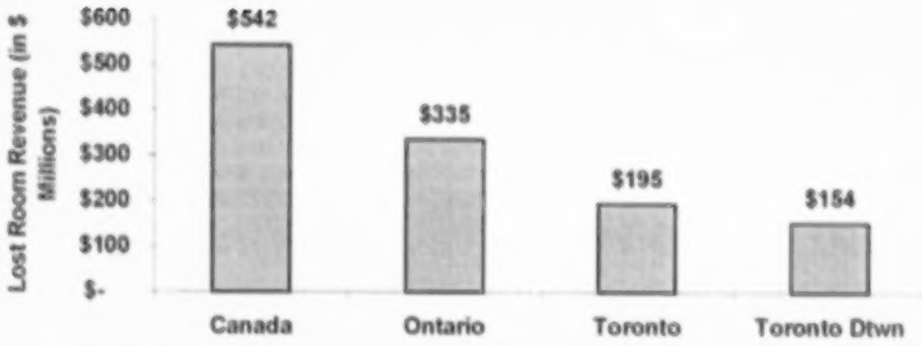


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
CANADA

Source: PKF Consulting

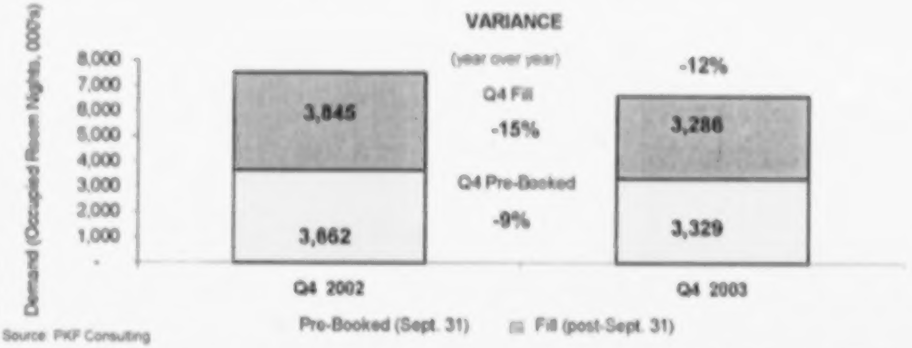
Exhibit 4: Room Revenue Variance - 2003 vs. 2002



Pre-Booked Business and Fill Rate

- As of September 31st 2003, hoteliers in Canada's major markets had pre-booked over 3.3 Million room nights for the upcoming months of October, November and December – approximately 333,000 fewer bookings then pre-booked for quarter 4 2002.
- The fill rate for the industry was 15% lower for quarter 4, 2003 with 559,000 fewer room nights sold during the quarter.

Exhibit 5: Pre-Booked as of September31 and Fill Rate for Quarter 4 2003 vs. 2002 Canadian Major Markets



Source: PKF Consulting

[1] Includes 16 Major and Sub-Major Markets consisting of Greater Toronto (excl West), Greater Montreal, Greater Vancouver (excl Other), Halifax, Quebec City, Ottawa, Windsor, Ontario Resorts, Regina/Saskatoon, Calgary, Edmonton and Alberta Resorts

2.2 NATIONAL CANCELLATIONS and BOOKING PACE in QUARTER 1, 2004

Room Cancellations Attributed to SARS, Geopolitical and Other Reasons

- Canada's major accommodation markets reported an estimated **18,000 room nights cancelled for Quarter 1 2004** attributed to all reasons, equating to **a potential $1.7 Million loss in** rooms revenue
- In terms of potential rooms revenue loss in Quarter 1, the only three impacted markets from cancellations were: Greater Toronto Area, Ottawa and Calgary

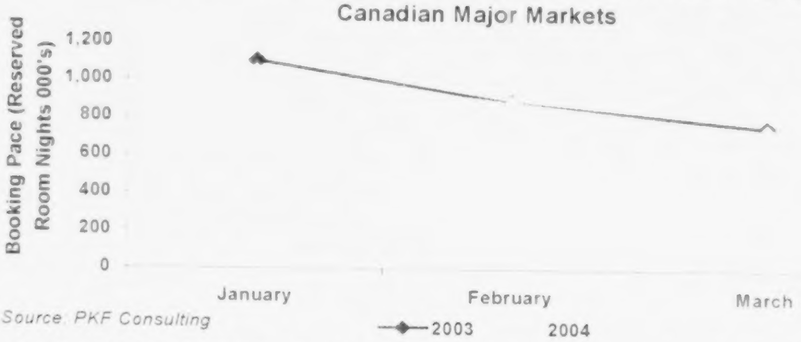
Exhibit 6: Cancellations and Potential Room Revenue Loss

Major Market	SARS		Geopolitical		Other Reasons	
	Cancellations	Revenue ($000)	Cancellations	Revenue ($000)	Cancellations	Revenue ($000)
1 Greater Toronto Area	83	$10	28	$3	14,037	$1,168
2 Ottawa	-	$0	1,356	$172	1,628	$207
3 Calgary	-	$0	-	$0	1,032	$106
4 Quebec City	-	$0	-	$0	-	$0
5 Alberta Resorts	-	$0	-	$0	-	$0
6 Windsor	-	$0	-	$0	-	$0
7 Halifax / Dartmouth	-	$0	-	$0	-	$0
8 Edmonton	-	$0	-	$0	-	$0
9 Greater Montreal Area	-	$0	-	$0	-	$0
10 Greater Vancouver Area	-	$0	-	$0	-	$0
11 Ontario Resorts	-	$0	-	$0	-	$0
12 Regina / Saskatoon	-	$0	-	$0	-	$0
13 Winnipeg	-	$0	-	$0	-	$0
Total Major Markets	83	$10	1,384	$175	16,697	$1,481

Booking Patterns

- As of January 1 2004, 2.66 Million room nights or 39% of January, February and March's 2004 Vancouver Downtown and Airport business was pre-booked. In comparison, as of January 1, 2003, 2.75 Million room nights of business were pre-booked for Quarter 1 – resulting in a variance of **82,000 fewer room nights pre-booked**.

Exhibit 7: Room Booking Pace (Jan. to March 2004 vs. 2003) Canadian Major Markets



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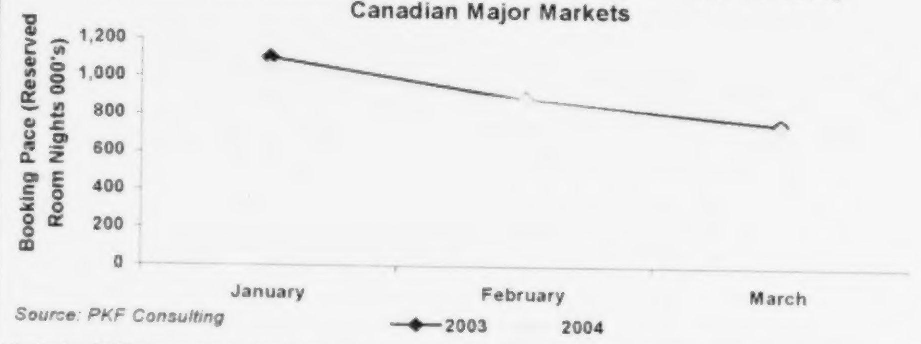

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CANADA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	327,578	328,329	327,955	330,189	331,503	331,273	331,387	331,389	329,384
Available Room Nights	29,482,019	29,877,908	59,359,927	30,377,373	10,276,593	9,938,100	10,272,987	30,487,780	120,225,080
Occupancy	53%	65%	59%	74%	65%	57%	43%	55%	62%
Occupied Room Nights	15,645,022	19,479,805	35,124,827	22,501,615	6,658,232	5,615,077	4,397,843	16,671,152	74,297,585
Average Daily Rate	$107	$117	$113	$126	$113	$106	$107	$109	$116
Rooms Revenue ($000)	$1,680,374	$2,281,839	$3,962,213	$2,824,797	$752,227	$593,626	$468,703	$1,814,556	$8,601,567

2003 PKF OUTLOOK AT JANUARY 1, 2003

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	331,860	332,362	332,113	333,736	333,553	333,730	333,919	333,734	332,930
Available Room Nights	29,867,440	30,244,960	60,112,380	30,703,674	10,340,143	10,011,900	10,351,489	30,703,532	121,519,586
Occupancy (2% Demand Growth)	53%	66%	60%	75%	66%	57%	43%	55%	62%
Occupied Room Nights	15,857,923	19,969,401	35,827,324	22,951,648	6,792,417	5,727,379	4,484,780	17,004,575	75,783,548
Average Daily Rate (2.3% Rate Growth)	$110	$120	$115	$128	$116	$108	$109	$111	$118
Rooms Revenue ($000)	$1,753,403	$2,381,008	$4,134,411	$2,947,563	$784,919	$619,425	$489,073	$1,893,417	$8,975,391

2003 ACTUAL RESULTS

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	331,860	332,362	332,113	333,736	333,553	333,730	333,919	333,734	332,930
Available Room Nights	29,867,440	30,244,960	60,112,380	30,703,674	10,340,143	10,011,900	10,351,489	30,703,532	121,519,586
Occupancy	53%	58%	56%	69%	64%	56%	44%	55%	59%
Occupied Room Nights	15,926,930	17,522,669	33,449,599	21,084,687	6,617,692	5,636,700	4,533,952	16,788,343	71,322,630
Average Daily Rate	$109	$112	$111	$121	$112	$105	$107	$108	$113
Rooms Revenue ($000)	$1,740,321	$1,966,086	$3,706,407	$2,541,107	$738,534	$589,317	$484,135	$1,811,987	$8,059,501

2004 PKF OUTLOOK AT JANUARY 1, 2004

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	334,755	335,833	335,297	336,404				336,734	335,938
Available Room Nights	30,127,954	30,560,806	60,688,760	30,949,168				30,979,492	122,617,420
Occupany	53%	65%	59%	74%				54%	61%
Occupied Room Nights	15,851,810	19,977,472	35,829,282	22,757,731				16,616,201	75,203,214
Average Daily Rate	$107	$117	$113	$126				$109	$116
Rooms Revenue ($000)	$1,697,867	$2,346,131	$4,043,997	$2,862,218				$1,811,720	$8,717,935

CANADA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.3%	1.2%	1.3%	1.1%	0.6%	0.7%	0.8%	0.7%	1.1%
Occupancy Points	0.3%	-7.3%	-3.5%	-5.4%	-0.8%	-0.2%	1.0%	0.0%	-3.1%
Occupied Room Nights	1.8%	-10.0%	-4.8%	-6.3%	-0.6%	0.4%	3.1%	0.7%	-4.0%
Average Daily Rate	1.7%	-4.2%	-1.8%	-4.0%	-1.2%	-1.1%	0.2%	-0.8%	-2.4%
Rooms Revenue ($000)	3.6%	-13.8%	-6.5%	-10.0%	-1.8%	-0.7%	3.3%	-0.1%	-6.3%

2003 ACTUAL TO 2003 PKF OUTLOOK

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.1%	-7.8%	-4.0%	-6.1%	-1.7%	-0.9%	0.5%	-0.7%	-3.7%
Occupied Room Nights	-0.2%	-11.8%	-6.6%	-8.1%	-2.6%	-1.6%	1.1%	-1.3%	-5.9%
Average Daily Rate	-0.6%	-6.4%	-4.0%	-6.2%	-3.4%	-3.3%	-2.1%	-3.1%	-4.6%
Rooms Revenue ($000)	-0.7%	-17.4%	-10.4%	-13.8%	-5.9%	-4.9%	-1.0%	-4.3%	-10.2%

2003 ACTUAL TO 2004 PKF OUTLOOK

CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.9%	1.0%	1.0%	0.8%				0.9%	0.9%
Occupancy Points	-0.7%	7.4%	3.4%	4.8%				-1.0%	2.6%
Occupied Room Nights	-0.5%	14.0%	7.1%	7.9%				-1.0%	5.4%
Average Daily Rate	-2.0%	4.7%	1.8%	4.4%				1.0%	2.7%
Rooms Revenue ($000)	-2.4%	19.3%	9.1%	12.6%				0.0%	8.2%
Variance to 2003 PKF Forecast ($000)	-$13,082	-$414,922	-$428,004	-$406,456	-$46,384	-$30,108	-$4,938	-$81,430	-$915,890
Variance to 2002 Actuals ($000)	$59,947	-$315,753	-$255,806	-$283,691	-$13,693	-$4,309	$15,432	-$2,570	-$542,066

3.0 ATLANTIC CANADA PROVINCIAL/MARKET PERFORMANCE

3.1 ATLANTIC CANADA

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Atlantic Canada's accommodation market averaged 24,622 rooms in 2003 – a 0.7% increase over 2002, due to the addition of 165 new rooms.
- PKF estimates that the room supply will increase by 75 rooms in 2004.

Regional Demand

Exhibit 1 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Newfoundland	63%	$100	64%	$103	2%	3%	64%	$106
Prince Edward Island	47%	$102	46%	$103	-3%	2%	47%	$106
Nova Scotia	68%	$106	67%	$110	-1%	4%	68%	$113
New Brunswick	59%	$92	58%	$93	-1%	1%	59%	$96
Total Atlantic	**62%**	**$100**	**61%**	**$103**	-1%	3%	**62%**	**$106**

Source: PKF Consulting

- Atlantic Canada's hotel market achieved 61% occupancy at an average daily rate of $103. Occupancy levels were down by 1 percentage point, with the average daily rate up by $3 from 2002.
- Demand for Atlantic Canada's hotels was **down approximately 43,000 room nights or 0.8% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Atlantic Canada improved by 3.1% in quarter 1, declined by 4.9% and 2.4% in the 2nd and 3rd quarters before improving to a 3.3% gain in quarter 4.
- Demand is forecasted by PKF to reach 5,631,400 room nights in 2004, a 1.7% increase from 2003.

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Prince Edward Island	47%	$102	46%	$103	-3%	2%	47%	$106
Nova Scotia	68%	$106	67%	$110	-1%	4%	68%	$113
New Brunswick	59%	$92	58%	$93	-1%	1%	59%	$96
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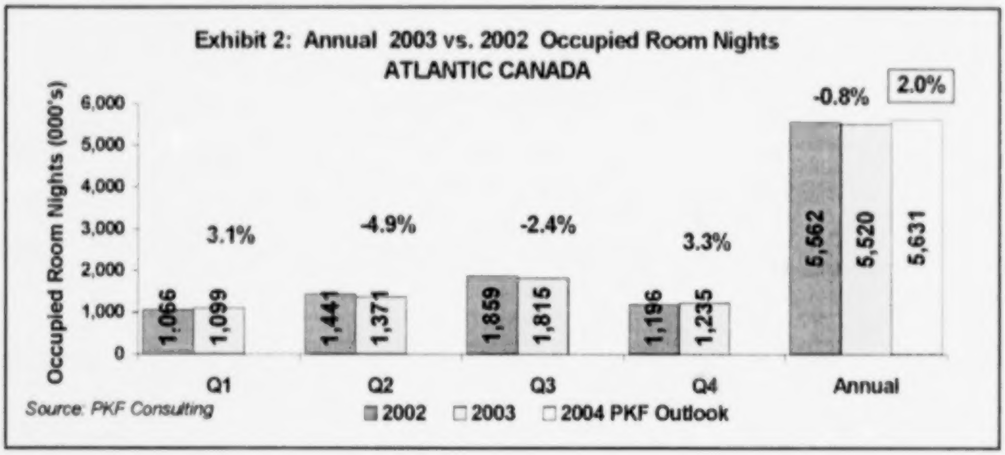
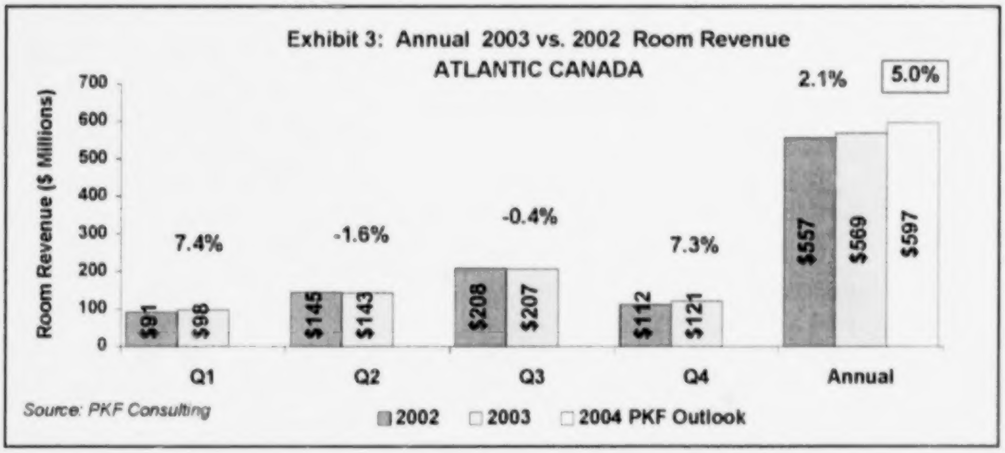


Source: PKF Consulting

Room Revenue

- Room revenue was 7.4% higher in the first quarter of 2003 before dropping by 1.6% and 0.4% in the 2nd and 3rd quarters, respectively. Quarter 4 realized a 7.3% room revenue improvement inline with the increase experienced in quarter 1.
- Overall, 2003 room revenue was up by $11.7 Million (2.1%) compared to 2002 due to the improvement in room rates.
- PKF forecasts that 2004 room revenue in Atlantic Canada will reach $597 Million, a 5.0% improvement over 2003.



Source: PKF Consulting

ATLANTIC CANADA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	24,424	24,468	24,446	24,468	24,468	24,468	24,468	24,468	24,457
Available Room Nights	2,198,160	2,226,588	4,424,748	2,251,056	758,508	734,040	758,508	2,251,056	8,926,860
Occupancy	48%	65%	57%	83%	67%	56%	37%	53%	62%
Occupied Room Nights	1,065,888	1,440,935	2,506,823	1,859,223	504,408	413,999	277,917	1,196,324	5,562,370
Average Daily Rate	$86	$101	$94	$112	$101	$92	$85	$94	$100
Rooms Revenue ($000)	$91,363	$145,146	$236,509	$208,230	$50,900	$37,897	$23,553	$112,351	$557,090

2003 PKF OUTLOOK AT JANUARY 1, 2003

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	24,563	24,580	24,572	24,660	24,683	24,683	24,683	24,683	24,622
Available Room Nights	2,210,670	2,236,793	4,447,463	2,268,728	765,173	740,490	765,173	2,270,836	8,987,027
Occupancy (2% Demand Growth)	49%	66%	57%	84%	67%	57%	37%	54%	63%
Occupied Room Nights	1,087,206	1,469,754	2,556,960	1,898,407	514,496	422,279	283,475	1,220,250	5,673,617
Average Daily Rate (2% Rate Growth)	$87	$103	$96	$114	$103	$93	$86	$96	$102
Rooms Revenue ($000)	$95,054	$151,010	$246,064	$216,642	$52,956	$39,428	$24,505	$116,890	$579,596

2003 ACTUAL RESULTS

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	24,563	24,580	24,572	24,660	24,683	24,683	24,683	24,683	24,622
Available Room Nights	2,210,670	2,236,793	4,447,463	2,268,728	765,173	740,490	765,173	2,270,836	8,987,027
Occupancy	50%	61%	56%	80%	68%	58%	38%	54%	61%
Occupied Room Nights	1,098,605	1,370,539	2,469,144	1,819,128	518,022	429,484	287,858	1,235,364	5,519,637
Average Daily Rate	$89	$104	$98	$114	$105	$95	$87	$98	$103
Rooms Revenue ($000)	$98,090	$142,794	$240,884	$207,388	$54,543	$40,818	$25,165	$120,525	$568,798

2004 PKF OUTLOOK AT JANUARY 1, 2004

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	24,683	24,661	24,672	24,660				24,783	24,697
Available Room Nights	2,221,470	2,244,113	4,465,583	2,268,728				2,280,036	9,014,347
Occupany	50%	64%	57%	81%				55%	62%
Occupied Room Nights	1,110,834	1,428,438	2,539,272	1,846,534				1,245,594	5,631,400
Average Daily Rate	$93	$107	$101	$117				$100	$106
Rooms Revenue ($000)	$103,467	$152,816	$256,283	$216,893				$124,726	$597,903

ATLANTIC CANADA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.6%	0.5%	0.5%	0.8%	0.9%	0.9%	0.9%	0.9%	0.7%
Occupancy Points	1.2%	-3.4%	-1.1%	-2.6%	1.2%	1.6%	1.0%	1.3%	-0.9%
Occupied Room Nights	3.1%	-4.9%	-1.5%	-2.4%	2.7%	3.7%	3.6%	3.3%	-0.8%
Average Daily Rate	4.2%	3.4%	3.4%	2.0%	4.3%	3.8%	3.2%	3.9%	2.9%
Rooms Revenue ($000)	7.4%	-1.6%	1.8%	-0.4%	7.2%	7.7%	6.8%	7.3%	2.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.5%	-4.4%	-2.0%	-3.6%	0.5%	1.0%	0.6%	0.7%	-1.7%
Occupied Room Nights	1.0%	-6.8%	-3.4%	-4.3%	0.7%	1.7%	1.5%	1.2%	-2.7%
Average Daily Rate	2.1%	1.4%	1.4%	0.0%	2.3%	1.8%	1.1%	1.8%	0.9%
Rooms Revenue ($000)	3.2%	-5.4%	-2.1%	-4.3%	3.0%	3.5%	2.7%	3.1%	-1.9%

2003 ACTUAL TO 2004 PKF OUTLOOK

ATLANTIC CANADA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.5%	0.3%	0.4%	0.0%				0.4%	0.3%
Occupancy Points	0.3%	2.4%	1.3%	1.4%				0.2%	1.1%
Occupied Room Nights	1.1%	4.2%	2.8%	1.7%				0.8%	2.0%
Average Daily Rate	4.3%	2.7%	3.5%	2.8%				2.6%	3.0%
Rooms Revenue ($000)	5.5%	7.0%	6.4%	4.6%				3.5%	5.1%
Variance to 2003 PKF Forecast ($000)	*$3,036*	*-$8,216*	*-$5,180*	*-$9,254*	*$1,586*	*$1,390*	*$659*	*$3,636*	*-$10,798*
Variance to 2002 Actuals ($000)	*$6,727*	*-$2,352*	*$4,375*	*-$842*	*$3,643*	*$2,921*	*$1,611*	*$8,175*	*$11,708*

3.2 PROVINCE OF NEWFOUNDLAND

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Newfoundland's accommodation market averaged 3,881 rooms in 2003 – a 0.8% increase over 2002, due to the addition of 30 new rooms.
- PKF estimates that Newfoundland's room supply will increase by 75 rooms in 2004.

Provincial Demand

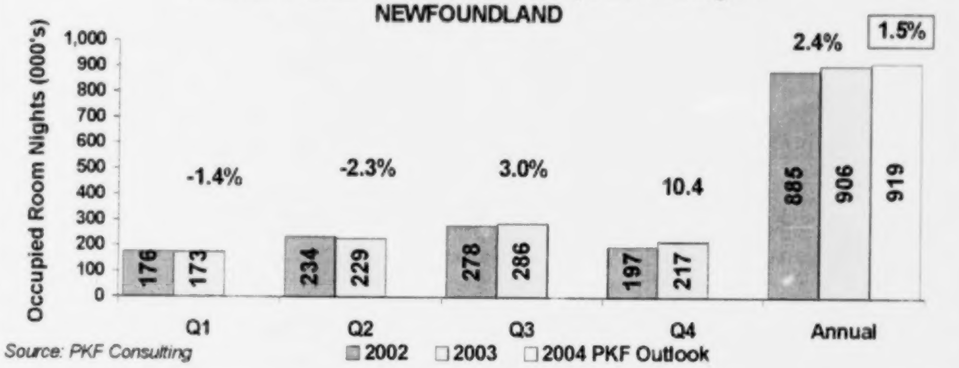
Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ	ADR	Occ	ADR	Demand	ADR	PKF Outlook	
St. John's	69%	$112	70%	$115	4%	3%	70%	$118
Total Newfoundland	**63%**	**$100**	**64%**	**$103**	**2%**	**3%**	**64%**	**$106**

Source: PKF Consulting

- Newfoundland's hotel market achieved 64% occupancy at an average daily rate of $103. Occupancy levels improved by one percentage point, with the average daily rate also improving by $3 from 2002.
- Demand for Newfoundland's hotels was **up by approximately 21,000 room nights or 2.4% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Newfoundland declined by 1.4% in quarter 1 and 2.3% in quarter 2 before improving by 3.0% and 10.4% in quarters 3 and 4 respectively.
- Demand is forecasted by PKF to reach 906,000 room nights in 2004, which is inline with 2003 demand.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
NEWFOUNDLAND



Source: PKF Consulting

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	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
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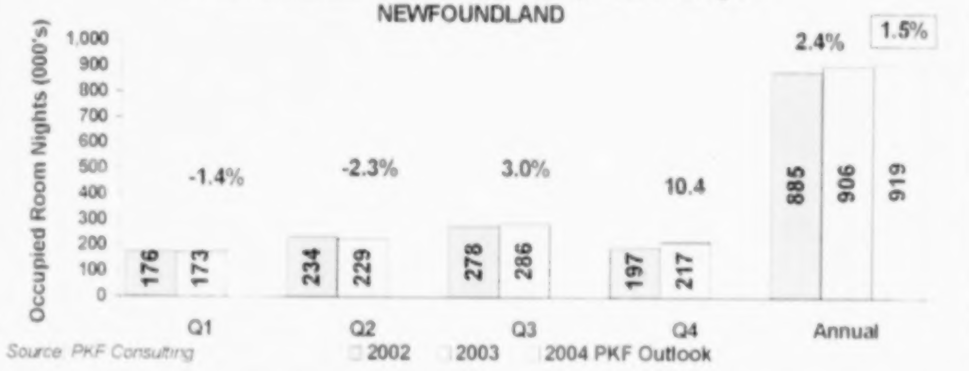


Source: PKF Consulting

Room Revenue

- Room revenue was 1.4% higher in the first quarter of 2003 compared to 2002, flattened in quarter 2 before rising by 5.8% and 14.8% in the last two quarters of 2003.
- Overall, 2003 room revenue improved by $4.8 Million (5.4%) compared to 2002 due evenly to the improvement in room rates and increased demand.
- PKF forecasts that 2004 room revenue in Newfoundland will reach $98 Million, a 3.2% improvement over 2003.

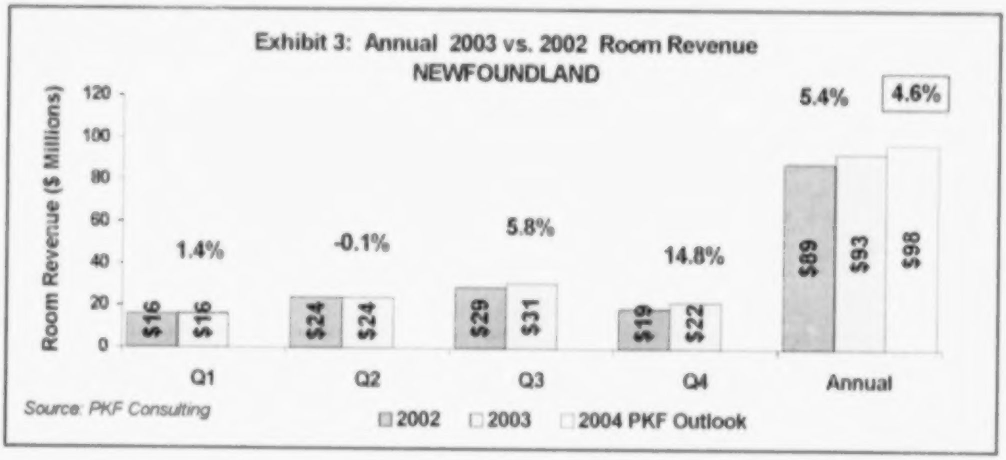


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
NEWFOUNDLAND

Source: PKF Consulting

NEWFOUNDLAND 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,851	3,851	3,851	3,851	3,851	3,851	3,851	3,851	3,851
Available Room Nights	346,590	350,441	697,031	354,292	119,381	115,530	119,381	354,292	1,405,615
Occupancy	51%	67%	59%	78%	69%	60%	38%	56%	63%
Occupied Room Nights	175,887	234,112	409,999	277,867	82,015	69,202	45,484	196,701	884,567
Average Daily Rate	$91	$103	$98	$105	$102	$96	$91	$97	$100
Rooms Revenue ($000)	$16,029	$24,157	$40,187	$29,166	$8,396	$6,642	$4,122	$19,160	$88,513

2003 PKF OUTLOOK AT JANUARY 1, 2003

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,851	3,868	3,860	3,903	3,903	3,903	3,903	3,903	3,881
Available Room Nights	346,590	352,001	698,591	359,076	120,993	117,090	120,993	359,076	1,416,743
Occupancy (2% Demand Growth)	52%	68%	60%	79%	69%	60%	38%	56%	64%
Occupied Room Nights	179,404	238,794	418,198	283,517	83,655	70,587	46,394	200,636	902,351
Average Daily Rate (2% Rate Growth)	$93	$105	$100	$107	$104	$98	$92	$98	$102
Rooms Revenue ($000)	$16,677	$25,133	$41,810	$30,344	$8,735	$6,910	$4,288	$19,934	$92,088

2003 ACTUAL RESULTS

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,851	3,868	3,860	3,903	3,903	3,903	3,903	3,903	3,881
Available Room Nights	346,590	352,001	698,591	359,076	120,993	117,090	120,993	359,076	1,416,743
Occupancy	50%	65%	58%	80%	74%	63%	45%	60%	64%
Occupied Room Nights	173,345	228,722	402,068	286,336	88,930	74,236	54,011	217,178	905,579
Average Daily Rate	$94	$106	$100	$108	$108	$98	$95	$101	$103
Rooms Revenue ($000)	$16,259	$24,139	$40,397	$30,870	$9,603	$7,291	$5,110	$22,003	$93,271

2004 PKF OUTLOOK AT JANUARY 1, 2004

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	3,903	3,903	3,903	3,903				3,903	3,903
Available Room Nights	351,270	355,173	706,443	359,076				359,076	1,424,595
Occupancy	50%	68%	59%	79%				61%	65%
Occupied Room Nights	176,025	240,269	416,294	284,907				217,748	918,939
Average Daily Rate	$97	$109	$104	$111				$104	$106
Rooms Revenue ($000)	$17,058	$26,193	$43,250	$31,635				$22,704	$97,589

NEWFOUNDLAND 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.4%	0.2%	1.4%	1.4%	1.4%	1.4%	1.4%	0.8%
Occupancy Points	-0.7%	-1.8%	-1.3%	1.3%	4.8%	3.5%	6.5%	5.0%	1.0%
Occupied Room Nights	-1.4%	-2.3%	-1.8%	3.0%	8.4%	7.3%	18.7%	10.4%	2.4%
Average Daily Rate	2.0%	2.3%	2.5%	2.7%	5.5%	2.3%	4.4%	4.0%	2.9%
Rooms Revenue ($000)	1.4%	-0.1%	0.5%	5.8%	14.4%	9.8%	24.0%	14.8%	5.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.7%	-2.9%	-2.3%	0.8%	4.4%	3.1%	6.3%	4.6%	0.2%
Occupied Room Nights	-3.4%	-4.2%	-3.9%	1.0%	6.3%	5.2%	16.4%	8.2%	0.4%
Average Daily Rate	0.0%	0.3%	0.5%	0.7%	3.4%	0.3%	2.4%	2.0%	0.9%
Rooms Revenue ($000)	-2.5%	-4.0%	-3.4%	1.7%	9.9%	5.5%	19.2%	10.4%	1.3%

2003 ACTUAL TO 2004 PKF OUTLOOK

NEWFOUNDLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1.4%	0.9%	1.1%	0.0%				0.0%	0.6%
Occupancy Points	0.1%	2.7%	1.4%	-0.4%				0.2%	0.6%
Occupied Room Nights	1.5%	5.0%	3.5%	-0.5%				0.3%	1.5%
Average Daily Rate	3.3%	3.3%	3.4%	3.0%				2.9%	3.1%
Rooms Revenue ($000)	4.9%	8.5%	7.1%	2.5%				3.2%	4.6%
Variance to PKF Forecast ($000)	*-$418*	*-$994*	*-$1,413*	*$526*	*$868*	*$380*	*$822*	*$2,070*	*$1,183*
Variance to 2002 Actuals ($000)	*$229*	*-$18*	*$211*	*$1,704*	*$1,207*	*$649*	*$988*	*$2,844*	*$4,758*

ST. JOHN'S 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571	1,571
Available Room Nights	141,380	142,961	284,351	144,532	48,701	47,130	48,701	144,532	573,415
Occupancy	55%	75%	65%	84%	75%	67%	45%	62%	69%
Occupied Room Nights	78,219	106,852	185,070	121,284	36,526	31,766	21,784	90,075	396,429
Average Daily Rate	$98	$115	$108	$122	$114	$103	$96	$106	$112
Rooms Revenue ($000)	$7,670	$12,269	$19,939	$14,834	$4,161	$3,283	$2,099	$9,543	$44,316

2003 PKF OUTLOOK AT JANUARY 1, 2003

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,571	1,588	1,580	1,623	1,623	1,623	1,623	1,623	1,601
Available Room Nights	141,380	144,521	285,911	149,316	50,313	48,690	50,313	149,316	584,543
Occupancy (2% Demand Growth)	56%	75%	66%	83%	74%	67%	44%	62%	69%
Occupied Room Nights	79,783	108,989	188,772	123,709	37,256	32,401	22,220	91,877	404,358
Average Daily Rate (2% Rate Growth)	$100	$117	$110	$125	$116	$105	$98	$108	$114
Rooms Revenue ($000)	$7,980	$12,765	$20,744	$15,434	$4,329	$3,415	$2,184	$9,928	$46,106

2003 ACTUAL RESULTS

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,571	1,588	1,580	1,623	1,623	1,623	1,623	1,623	1,601
Available Room Nights	141,380	144,521	285,911	149,316	50,313	48,690	50,313	149,316	584,543
Occupancy	54%	72%	63%	84%	81%	72%	54%	69%	70%
Occupied Room Nights	76,844	104,658	181,501	126,126	40,653	35,105	27,033	102,792	410,419
Average Daily Rate	$100	$117	$110	$126	$121	$106	$101	$111	$115
Rooms Revenue ($000)	$7,716	$12,262	$19,978	$15,866	$4,921	$3,724	$2,739	$11,384	$47,229

2004 PKF OUTLOOK AT JANUARY 1, 2004

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1,623	1,623	1,623	1,623				1,623	1,623
Available Room Nights	146,070	147,693	293,763	149,316				149,316	592,395
Occupancy	53%	74%	64%	84%				69%	70%
Occupied Room Nights	78,083	108,773	186,856	125,880				102,979	415,715
Average Daily Rate	$104	$124	$116	$128				$111	$118
Rooms Revenue ($000)	$8,143	$13,480	$21,623	$16,129				$11,407	$49,159

ST. JOHN'S 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	1.1%	0.5%	3.3%	3.3%	3.3%	3.3%	3.3%	1.9%
Occupancy Points	-1.0%	-2.3%	-1.6%	0.6%	5.8%	4.7%	9.0%	6.5%	1.1%
Occupied Room Nights	-1.8%	-2.1%	-1.9%	4.0%	11.3%	10.5%	24.1%	14.1%	3.5%
Average Daily Rate	2.4%	2.0%	2.2%	2.9%	6.2%	2.7%	5.2%	4.5%	2.9%
Rooms Revenue ($000)	0.6%	-0.1%	0.2%	7.0%	18.2%	13.5%	30.5%	19.3%	6.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-2.1%	-3.0%	-2.5%	1.6%	6.8%	5.6%	9.6%	7.3%	1.0%
Occupied Room Nights	-3.7%	-4.0%	-3.9%	2.0%	9.1%	8.3%	21.7%	11.9%	1.5%
Average Daily Rate	0.4%	0.0%	0.2%	0.8%	4.2%	0.6%	3.1%	2.5%	0.9%
Rooms Revenue ($000)	-3.3%	-3.9%	-3.7%	2.8%	13.7%	9.0%	25.4%	14.7%	2.4%

2003 ACTUAL TO 2004 PKF OUTLOOK

St. John's, Nfld	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	3.3%	2.2%	2.7%	0.0%				0.0%	1.3%
Occupancy Points	-0.9%	1.2%	0.1%	-0.2%				0.1%	0.0%
Occupied Room Nights	1.6%	3.9%	3.0%	-0.2%				0.2%	1.3%
Average Daily Rate	3.9%	5.8%	5.1%	1.9%				0.0%	2.8%
Rooms Revenue ($000)	5.5%	9.9%	8.2%	1.7%				0.2%	4.1%
Variance to PKF Forecast ($000)	-$264	-$503	-$766	$433	$591	$309	$556	$1,456	$1,123
Variance to 2002 Actuals ($000)	$46	-$7	$39	$1,032	$759	$442	$640	$1,841	$2,913

3.3 PROVINCE OF PRINCE EDWARD ISLAND

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Prince Edward Island's accommodation market averaged 2,715 rooms in 2003 – the same as in 2002.
- PKF estimates that Prince Edward Island's room supply will remain flat at 2,715 rooms in 2004.

Provincial Demand

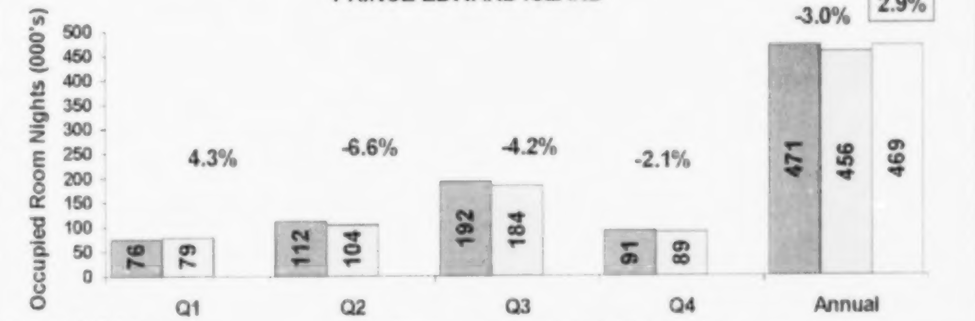
Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ	ADR	Occ	ADR	Demand	ADR	PKF Outlook	
Total PEI	47%	$102	46%	$103	-3%	2%	47%	$106

Source: PKF Consulting

- Prince Edward Island's hotel market achieved 46% occupancy at an average daily rate of $103. Occupancy levels improved by one percentage point, with the average daily rate rising by $1 from 2002.
- Demand for PEI's hotels fell **by approximately 14,000 room nights or 3.0% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Prince Edward Island rose by 4.3% in quarter 1 before declining by 6.6% and 4.2 in quarters 2 and 3, respectively. Quarter 4 also experienced attrition in demand with 2003 demand 2.1% below 2002 levels.
- Demand is projected by PKF to reach 469,000 room nights in 2004, which represents a 2.9% increase in demand over 2003.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
PRINCE EDWARD ISLAND



Source: PKF Consulting

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Provincial Demand

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- On a quarter-by-quarter basis, demand for room nights in Prince Edward Island rose by 4.3% in quarter 1 before declining by 6.6% and 4.2 in quarters 2 and 3, respectively. Quarter 4 also experienced attrition in demand with 2003 demand 2.1% below 2002 levels.
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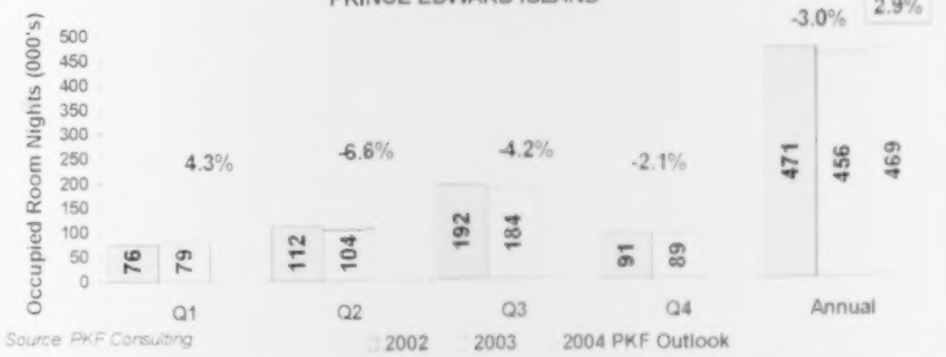
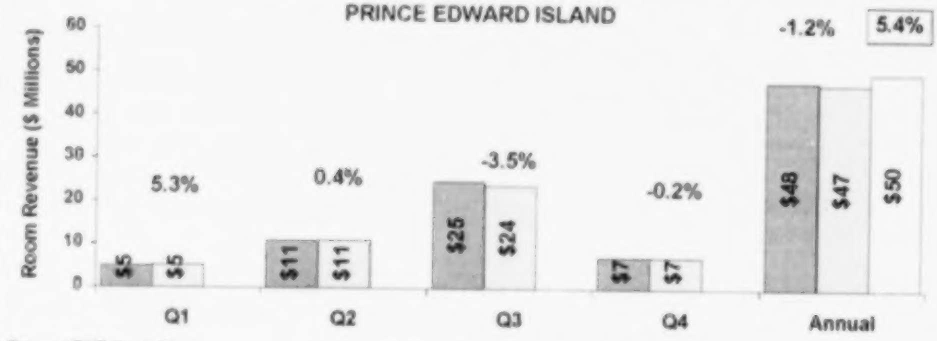


Source: PKF Consulting

Room Revenue

- Room revenue was 5.3% higher in the 1st quarter of 2003 compared to 2002, flattened in quarter 2, before declining by 3.5% and 0.2% in quarters 3 and 4, respectively.
- Overall, 2003 room revenue declined by $0.6 Million (1.2%) compared to 2002 due to the erosion of demand.
- PKF forecasts that 2004 room revenue in Prince Edward Island will reach $50 Million, a 5.4% improvement over 2003.

Exhibit 3: Annual 2003 vs. 2002 Room Revenue
PRINCE EDWARD ISLAND



Source: PKF Consulting

PEI 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715
Available Room Nights	244,350	247,065	491,415	249,780	84,165	81,450	84,165	249,780	990,975
Occupancy	31%	45%	38%	77%	50%	38%	22%	36%	47%
Occupied Room Nights	75,556	111,803	187,359	192,047	42,083	30,707	18,365	91,154	470,560
Average Daily Rate	$66	$98	$85	$128	$95	$70	$59	$80	$102
Rooms Revenue ($000)	$4,950	$10,912	$15,862	$24,678	$4,008	$2,161	$1,085	$7,254	$47,794

2003 PKF OUTLOOK AT JANUARY 1, 2003

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715
Available Room Nights	244,350	247,065	491,415	249,780	84,165	81,450	84,165	249,780	990,975
Occupancy (2% Demand Growth)	32%	46%	39%	78%	51%	38%	22%	37%	48%
Occupied Room Nights	77,087	114,039	191,108	195,888	42,924	31,321	18,732	92,977	479,971
Average Daily Rate (2% Rate Growth)	$67	$100	$86	$131	$97	$72	$60	$81	$104
Rooms Revenue ($000)	$5,150	$11,353	$16,503	$25,675	$4,170	$2,248	$1,129	$7,548	$49,725

2003 ACTUAL RESULTS

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715
Available Room Nights	244,350	247,065	491,415	249,780	84,165	81,450	84,165	249,780	990,975
Occupancy	32%	42%	37%	74%	48%	36%	23%	36%	46%
Occupied Room Nights	78,797	104,389	183,186	183,885	40,389	29,159	19,669	89,228	456,299
Average Daily Rate	$66	$105	$88	$129	$96	$74	$62	$81	$103
Rooms Revenue ($000)	$5,213	$10,959	$16,172	$23,820	$3,861	$2,161	$1,219	$7,241	$47,232

2004 PKF OUTLOOK AT JANUARY 1, 2004

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	2,715	2,715	2,715	2,715				2,715	2,715
Available Room Nights	244,350	247,065	491,415	249,780				249,780	990,975
Occupany	32%	45%	39%	75%				36%	47%
Occupied Room Nights	79,034	111,803	190,837	187,471				91,154	469,462
Average Daily Rate	$70	$104	$89	$133				$83	$106
Rooms Revenue ($000)	$5,532	$11,579	$17,077	$24,938				$7,595	$49,611

PEI 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	1.3%	-3.0%	-0.9%	-3.2%	-2.0%	-1.9%	1.6%	-0.8%	1.4%
Occupied Room Nights	4.3%	-6.6%	-2.2%	-4.2%	-4.0%	-5.0%	7.1%	-2.1%	-3.0%
Average Daily Rate	1.0%	7.6%	4.3%	0.7%	0.4%	5.3%	4.6%	2.0%	1.9%
Rooms Revenue ($000)	5.3%	0.4%	2.0%	-3.5%	-3.7%	0.0%	12.3%	-0.2%	-1.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.7%	-3.9%	-1.6%	-4.6%	-3.0%	-2.7%	1.1%	-1.5%	-2.4%
Occupied Room Nights	2.2%	-8.5%	-4.2%	-6.1%	-5.9%	-6.9%	5.0%	-4.0%	-4.9%
Average Daily Rate	-1.0%	5.5%	2.2%	-1.2%	-1.6%	3.2%	2.6%	0.0%	-0.1%
Rooms Revenue ($000)	1.2%	-3.5%	-2.0%	-7.2%	-7.4%	-3.9%	7.9%	-4.1%	-5.0%

2003 ACTUAL TO 2004 PKF OUTLOOK

PRINCE EDWARD ISLAND	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.1%	3.0%	1.6%	1.4%				0.6%	1.3%
Occupied Room Nights	0.3%	7.1%	4.2%	1.9%				2.2%	2.9%
Average Daily Rate	5.2%	-1.4%	1.4%	2.8%				2.7%	2.1%
Rooms Revenue ($000)	5.5%	5.6%	5.6%	4.7%				4.9%	5.0%
Variance to 2003 PKF Forecast ($000)	$63	-$393	-$331	-$1,855	-$309	-$88	$89	-$307	-$2,493
Variance to 2002 Actuals ($000)	$263	$47	$310	-$858	-$147	$0	$133	-$14	-$562

3.4 PROVINCE OF NOVA SCOTIA

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Nova Scotia's accommodation market averaged 10,288 rooms in 2003 – a 0.5% increase over 2002, due to the addition of 50 new rooms.

- PKF estimates that Nova Scotia's room supply will remain flat at 10,288 rooms in 2004.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002		Annual 2003		% Change		Annual 2004 PKF Outlook	
	Occ.	ADR	Occ.	ADR	Demand	ADR		
Halifax	76%	$116	76%	$120	1%	4%	73%	$120
Other Nova Scotia	57%	$83	54%	$84	-5%	2%	56%	$87
Total Nova Scotia	**68%**	**$106**	**67%**	**$110**	**-1%**	**4%**	**68%**	**$113**

Source: PKF Consulting

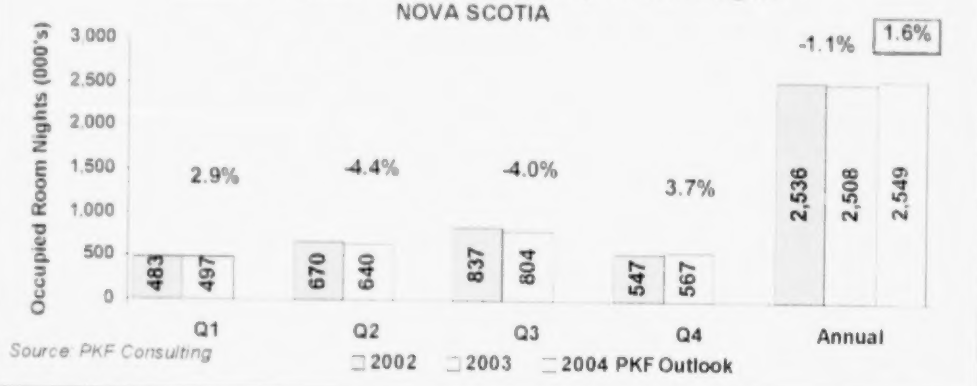
- Nova Scotia's hotel market achieved 67% occupancy at an average daily rate of $110. Occupancy levels were down by one percentage point, while the average daily rate increased by $4 from 2002.

- Demand for Nova Scotia's hotels declined by **approximately 28,000 room nights or 1% in 2003** compared to 2002.

- On a quarter-by-quarter basis, demand for room nights in Nova Scotia rose by 2.9% in quarter 1, declined by 4.4% and 4.0 in quarters 2 and 3, respectively before improving by 3.7% in quarter 4.

- Demand is forecasted by PKF to reach nearly 2,549,000 room nights in 2004, which represents a 1.6% increase in demand over 2003.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights NOVA SCOTIA



Source: PKF Consulting

3.4 PROVINCE OF NOVA SCOTIA

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Provincial Demand

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	Occ	ADR	Occ	ADR	Demand	ADR		
Halifax	76%	$116	76%	$120	1%	4%	73%	$120
Other Nova Scotia	57%	$83	54%	$84	-5%	2%	56%	$87
Total Nova Scotia	**68%**	**$106**	**67%**	**$110**	**-1%**	**4%**	**68%**	**$113**

Source: PKF Consulting

- Nova Scotia's hotel market achieved 67% occupancy at an average daily rate of $110. Occupancy levels were down by one percentage point, while the average daily rate increased by $4 from 2002.
- Demand for Nova Scotia's hotels declined by **approximately 28,000 room nights or 1% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Nova Scotia rose by 2.9% in quarter 1, declined by 4.4% and 4.0 in quarters 2 and 3, respectively before improving by 3.7% in quarter 4.
- Demand is forecasted by PKF to reach nearly 2,549,000 room nights in 2004, which represents a 1.6% increase in demand over 2003.

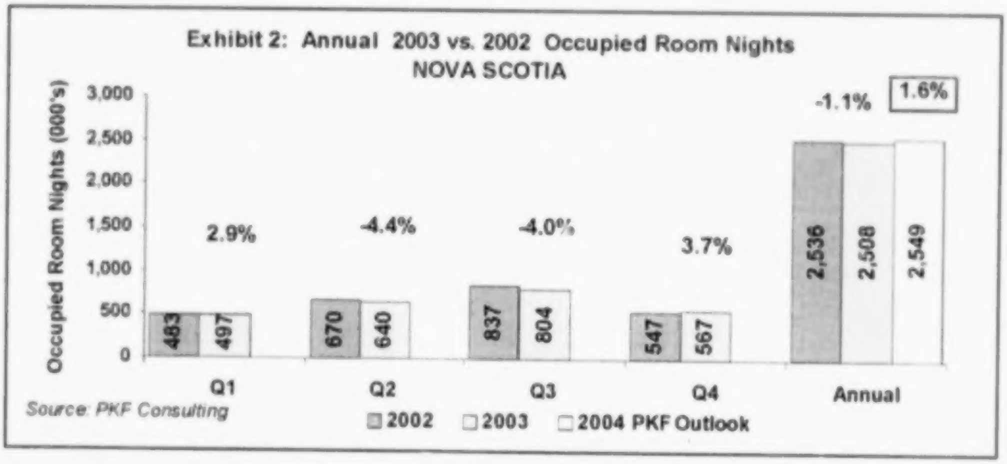


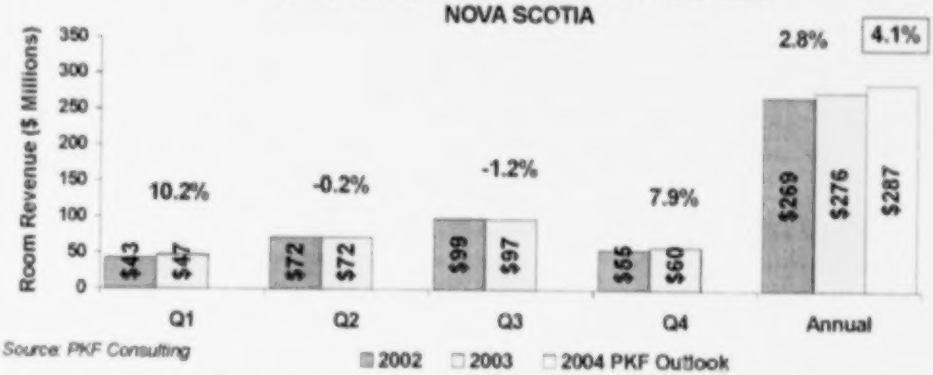
Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights NOVA SCOTIA

Source: PKF Consulting

Room Revenue

- Room revenue was 10.2% higher in the 1st quarter of 2003 compared to 2002, flattening in quarter 2, before declining by 1.2% quarter 3. Room revenue rose by 7.9% in quarter 4, resulting in annual 2003 room revenue 2.8% higher than in 2002.
- Overall, 2003 room revenue improved by $7.4 Million (2.8%) compared to 2002 due to an improved rate.
- PKF forecasts that 2004 room revenue in Nova Scotia will reach $287 Million, a 4.1% improvement over 2003.

Exhibit 3: Annual 2003 vs. 2002 Room Revenue
NOVA SCOTIA



Source: PKF Consulting

NOVA SCOTIA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	10 238	10 238	10 238	10 238	10 238	10 238	10 238	10 238	10 238
Available Room Nights	[illegible]	[illegible]	[illegible]	941 896	317 378	307 140	317 378	941 896	3 736 870
Occupancy	[illegible]	72%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 PKF OUTLOOK AT JANUARY 1, 2003

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy (2% Demand Growth)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate (2% Rate Growth)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOVA SCOTIA 2003 ACTUAL RESULTS

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2004 PKF OUTLOOK AT JANUARY 1, 2004

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]

NOVA SCOTIA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL TO 2003 PKF OUTLOOK

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL TO 2004 PKF OUTLOOK

NOVA SCOTIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Variance to 2003 PKF Forecast ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Variance to 2002 Actuals ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

OTHER NOVA SCOTIA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,605	5,605	5,605	5,605	5,605	5,605	5,605	5,605	5,605
Available Room Nights	504,450	510,055	1,014,505	515,660	173,755	168,150	173,755	515,660	2,045,825
Occupancy	43%	56%	49%	82%	64%	45%	33%	47%	57%
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy (2% Demand Growth)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate (2% Rate Growth)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL RESULTS

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]

OTHER NOVA SCOTIA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Nova Scotia	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]				[illegible]	[illegible]
Variance to 2003 PKF Forecast ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Variance to 2002 Actuals ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

3.5 HALIFAX/DARTMOUTH AREA

2003 ANNUAL RESULTS

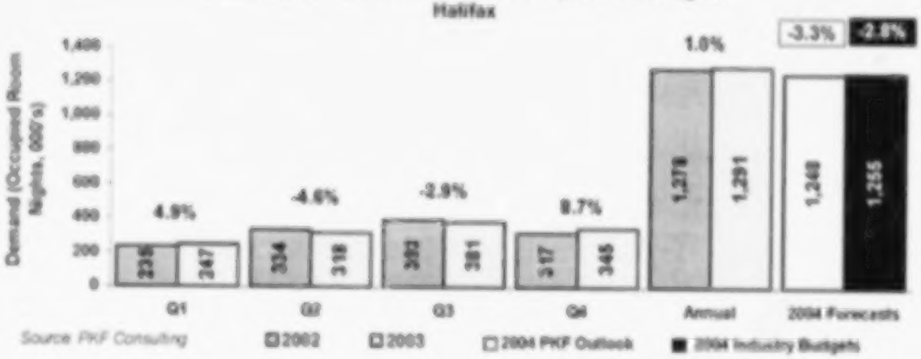
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Halifax/Dartmouth market was 4,633 rooms – the same as in 2002.

Demand

- During 2003, the Halifax/Dartmouth hotel market achieved 76% occupancy at an average daily rate of $120.
- Demand for Halifax/Dartmouth hotels **increased by over 12,000 room nights**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Halifax/Dartmouth rose by 4.9% in quarter 1, declined by 4.6% and 2.9% in quarters 2 and 3, respectively before climbing by an impressive 8.7% in quarter 4.
- Demand is forecasted by PKF to reach almost 1,248,000 room nights in 2004, which represents a 3.3% decrease in demand compared to 2003.
- The industry has budgeted for a 74% occupancy at an average rate of $126.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Halifax



Source: PKF Consulting

Room Revenue

- Room revenue was 12.8% higher in the 1st quarter of 2003 compared to 2002, flattening in quarters 2 and 3 to 2002 levels, before improving by 13.1% in quarter 4.
- Overall, 2003 room revenue improved by $7.7 Million (5.2%) compared to 2002 due primarily to an improved rate.
- PKF forecasts that 2004 room revenue in Halifax/Dartmouth will reach $159 Million, a 2.5% decline from 2003 levels.

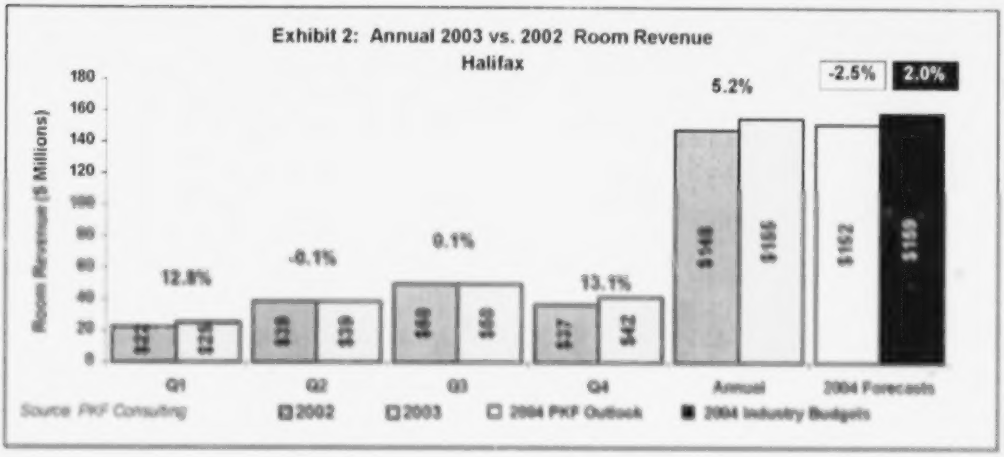


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Halifax

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st, Halifax and Dartmouth hoteliers had pre-booked almost 92,000 room nights for the upcoming months of October, November and December – 23% fewer room nights than were pre- booked over the same time frame last year.
- The fill rate for the industry was 27.5% higher for quarter 4 with 55,000 more room nights sold compared to last year during this period.

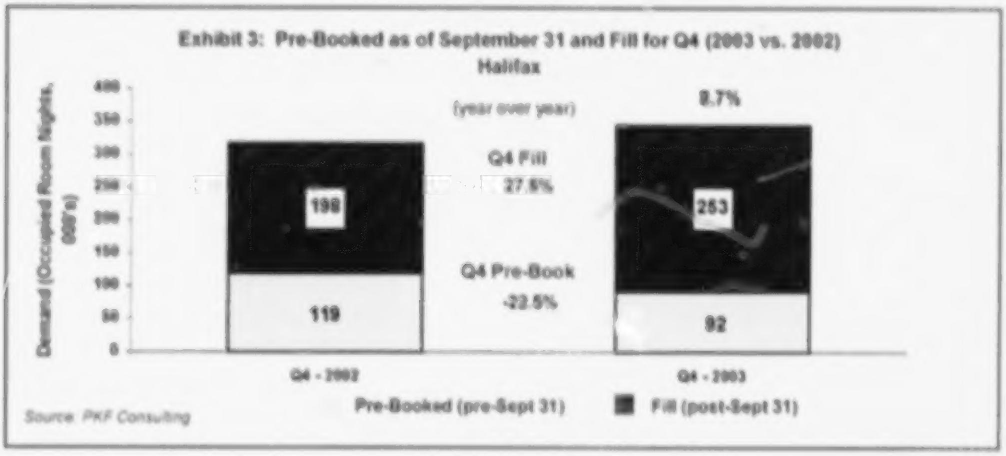


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
Halifax

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- The Halifax/Dartmouth market experienced a growth in demand during Quarter 4 with the addition of 27,600 occupied room nights. Hoteliers reported that a large majority (72%) of this gain was attributable to "Other Reasons" with "Local/Regional Economic Conditions" ranking a distant second at 19%.
- Halifax/Dartmouth accommodation operators reported that 89% of the market growth was due to travelers with a domestic origin with the remaining 11% of growth attributable to travelers from the United States.

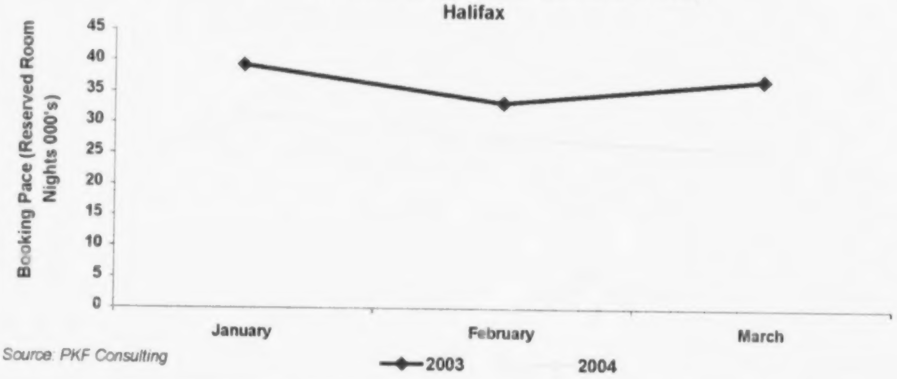
- Hotels in the Halifax/Dartmouth marketplace cite Other Travellers for 63% of the growth in 4th quarter demand with Independent Leisure Travel ranking second at 21%
- Market demand growth was fuelled primarily by travellers arriving via automobile (59%) and airplane (35%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1, 2004, 84,000 room nights or 34% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, **109,489 room nights** of business were pre-booked for Quarter 1 – which means that **25,000 fewer room nights were pre-booked for Quarter 1 2004** as compared to the same period in 2003.
- This year's **Quarter 1 booking pace is down by 23%** in comparison to last year for Halifax/Dartmouth accommodations.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Halifax



Source: PKF Consulting

Halifax

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633
Available Room Nights	416,970	421,603	838,573	426,236	143,623	138,990	143,623	426,236	1,691,045
Occupancy	56%	79%	68%	92%	78%	67%	78%	74%	76%
Occupied Room Nights	235,301	333,532	568,833	391,939	111,882	93,679	111,882	317,444	1,278,216
Average Daily Rate	$95	$116	$107	$127	$121	$104	$121	$116	$116
Rooms Revenue ($000)	$22,329	$38,743	$61,072	$49,841	$13,558	$9,753	$13,558	$36,869	$147,781

2003 ACTUAL RESULTS

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633
Available Room Nights	416,970	421,603	838,573	426,236	143,623	138,990	143,623	426,236	1,691,045
Occupancy	59%	75%	67%	89%	85%	73%	85%	81%	76%
Occupied Room Nights	246,874	318,046	564,920	380,674	121,505	102,019	121,505	345,029	1,290,623
Average Daily Rate	$102	$122	$113	$131	$126	$108	$126	$121	$120
Rooms Revenue ($000)	$25,187	$38,704	$63,891	$49,913	$15,321	$11,044	$15,321	$41,685	$155,489

BOOKING PATTERNS

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	109,489	169,649	279,138	208,688	69,570	28,017	21,781	119,368	607,196
% Of Rooms Sold	47%	51%	49%	53%	62%	30%	19%	38%	48%
2003 BOOKINGS	119,136	126,909	246,044	175,509	62,887	19,262	10,322	92,471	514,024
% Of Rooms Sold	48%	40%	44%	46%	52%	19%	8%	27%	40%
2002/2003 VARIANCE	9%	-25%	-12%	-16%	-10%	-31%	-53%	-23%	-15%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	2.8%	-3.7%	-0.5%	-2.6%	6.7%	6.0%	6.7%	6.5%	0.7%
Occupied Room Nights	4.9%	-4.6%	-0.7%	-2.9%	8.6%	8.9%	8.6%	8.7%	1.0%
Average Daily Rate	7.5%	4.8%	5.3%	3.1%	4.1%	4.0%	4.1%	4.0%	4.2%
Rooms Revenue ($000)	12.8%	-0.1%	4.6%	0.1%	13.0%	13.2%	13.0%	13.1%	5.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.9%	-4.9%	-1.5%	-4.0%	5.3%	4.3%	40.9%	17.0%	2.5%
Occupied Room Nights	3.4%	-6.1%	-2.2%	-4.3%	6.7%	6.2%	93.4%	28.5%	3.4%
Average Daily Rate	4.9%	2.2%	2.8%	0.6%	1.5%	2.0%	27.2%	7.8%	3.0%
Rooms Revenue ($000)	8.4%	-4.0%	0.6%	-3.7%	8.4%	8.3%	145.9%	38.4%	6.5%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.4%	-3.4%	-1.9%	-0.6%	7.7%	9.3%	10.3%	8.1%	1.2%
Occupied Room Nights	-0.7%	-4.3%	-2.8%	-0.7%	10.0%	14.6%	13.9%	12.7%	1.6%
Average Daily Rate	1.6%	1.1%	1.1%	-0.9%	1.0%	0.3%	1.7%	1.0%	0.5%
Rooms Revenue ($000)	0.8%	-3.3%	-1.7%	-1.6%	11.1%	14.9%	15.9%	13.8%	2.1%

REVENUE VARIANCE SUMMARY

Halifax	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$2,858	-$39	$2,819	$73	$1,763	$1,291	$1,763	$4,816	$7,708
2003 Actual versus 2003 PKF Outlook ($000)	$1,957	-$1,603	$354	-$1,940	$1,181	$846	$9,090	$11,117	$9,531

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	6%	1,522	Business Travel	2%	513
Local/Regional Economic Conditions	19%	5,306	Independent Leisure Travel	21%	5,878
Destination Marketing Promotions/Packages	3%	863	Group Leisure	2%	420
Increased Supply/Competition	0%	-	Meetings/Convention Travel	12%	3,309
Geopolitical Reasons (Iraq War, Residual 9/11)	0%	-	Government	0%	-
Fear/Impacts Associated with SARS	0%	-	Other	63%	17,464
Other Reasons	72%	19,894			
Total	100%	27,585	**Total**	100%	27,585
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	89%	24,563	Air	35%	9,742
US Travel	11%	2,985	Automobile	59%	16,363
Overseas Travel	0%	83	Motorcoach	5%	1,397
			Other	0%	109
Total	100%	27,585	**Total**	100%	27,585

Halifax

2004 OUTLOOK

2003 ACTUAL RESULTS

Halifax	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633
Available Room Nights	143,623	129,724	143,623	416,970	421,603	838,573	426,236	426,236	1,691,045
Occupancy	48%	59%	71%	59%	75%	67%	89%	81%	76%
Occupied Room Nights	68,795	76,537	101,541	246,874	318,048	564,920	380,674	345,029	1,290,623
Average Daily Rate	$99	$100	$106	$102	$122	$113	$131	$121	$120
Rooms Revenue ($000)	$6,809	$7,644	$10,734	$25,187	$38,704	$63,891	$49,913	$41,685	$155,489

2004 PKF OUTLOOK AT JANUARY 1, 2004

Halifax	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,733	4,658
Available Room Nights	143,623	129,724	143,623	416,970	421,603	838,573	426,236	435,436	1,700,245
Occupancy	45%	60%	70%	58%	75%	67%	88%	72%	73%
Occupied Room Nights	65,061	77,316	100,536	242,913	318,202	560,115	376,431	312,141	1,247,080
Average Daily Rate	$100	$100	$105	$102	$124	$115	$135	$118	$122
Rooms Revenue ($000)	$6,506	$7,732	$10,556	$24,794	$39,352	$64,146	$50,818	$36,683	$151,647

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Halifax	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,733	4,658
Available Room Nights	143,623	129,724	143,623	416,970	421,603	838,573	426,236	435,436	1,700,245
Occupancy	43%	54%	60%	52%	76%	64%	90%	77%	74%
Occupied Room Nights	61,287	70,053	86,057	217,397	318,344	535,742	383,330	335,902	1,254,973
Average Daily Rate	$106	$108	$109	$108	$127	$119	$137	$125	$126
Rooms Revenue ($000)	$6,527	$7,542	$9,346	$23,414	$40,535	$63,949	$52,586	$42,037	$158,572

2004 BOOKING PATTERNS

Halifax	January	February	March	1st Quarter
2003 BOOKINGS	39,252	33,245	36,992	109,489
% Of Rooms Sold	57%	43%	36%	44%
2004 BOOKINGS	31,448	27,547	25,580	83,807
% Of Rooms Sold (2003)	46%	36%	25%	34%
2003/2004 VARIANCE	-20%	-17%	-31%	-23%

2004 PKF OUTLOOK versus 2003 ACTUAL

Halifax	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.2%	0.5%
Occupancy Points	-2.6%	0.8%	-0.7%	-0.9%	-0.4%	-0.7%	-1.0%	-8.3%	-2.9%
Occupied Room Nights	-5.4%	1.0%	-1.0%	-1.6%	-0.6%	-1.0%	-1.1%	-9.5%	-3.3%
Average Daily Rate	1.0%	0.1%	-0.7%	0.0%	2.3%	1.4%	3.0%	-2.7%	0.9%
Rooms Revenue ($000)	-4.5%	1.1%	-1.7%	-1.6%	1.7%	0.4%	1.8%	-12.0%	-2.5%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Halifax	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-5.2%	-5.0%	-10.8%	-7.1%	0.1%	-3.5%	0.6%	-3.6%	-2.5%
Occupied Room Nights	-10.9%	-8.5%	-15.2%	-11.9%	0.1%	-5.2%	0.7%	-2.6%	-2.8%
Average Daily Rate	7.6%	7.8%	2.7%	5.6%	4.6%	5.5%	4.6%	3.6%	4.8%
Rooms Revenue ($000)	-4.2%	-1.3%	-12.9%	-7.0%	4.7%	0.1%	5.4%	0.8%	2.0%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

3.6 PROVINCE OF NEW BRUNSWICK

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of New Brunswick's accommodation market averaged 7,751 rooms in 2003 – a 1.4% increase over 2002, due to the addition of 104 new rooms.
- PKF does not know of any new hotel developments that would add to New Brunswick's hotel room inventory in 2004.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002		Annual 2003		% Change		Annual 2004 PKF Outlook	
	Occ.	ADR	Occ.	ADR	Demand	ADR		
Moncton	59%	$95	60%	$96	4%	1%	59%	$99
Other New Brunswick	59%	$90	57%	$91	-3%	2%	58%	$94
Total New Brunswick	**59%**	**$92**	**58%**	**$93**	**-1%**	**1%**	**59%**	**$96**

Source: PKF Consulting

- New Brunswick's hotel market achieved 58% occupancy at an average daily rate of $93. Occupancy levels were down by one percentage point, with the average daily rate improving by $1 from 2002.
- Demand for New Brunswick's hotels declined by **approximately 18,000 room nights or 1.1% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in New Brunswick rose by 5.1% in quarter 1, declined by 6.0% and 2.4% in quarters 2 and 3, respectively before recovering to an improvement of 1.3% in quarter 4.
- Demand is forecasted by PKF to reach nearly 1,681,000 room nights in 2004, which represents a 2.5% increase in demand over 2003.

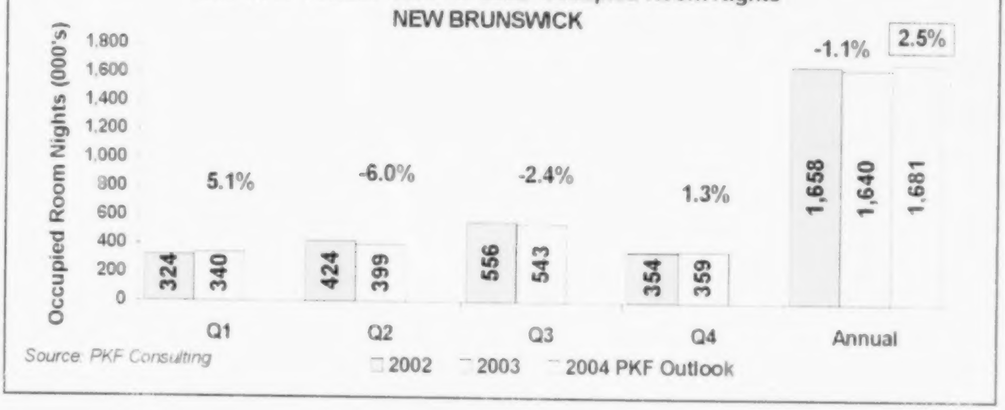


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
NEW BRUNSWICK

Source: PKF Consulting

3.6 PROVINCE OF NEW BRUNSWICK

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

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	Occ.	ADR	Occ.	ADR	Demand	ADR		
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Other New Brunswick	59%	$90	57%	$91	-3%	2%	58%	$94
Total New Brunswick	**59%**	**$92**	**58%**	**$93**	**-1%**	**1%**	**59%**	**$96**

Source: PKF Consulting

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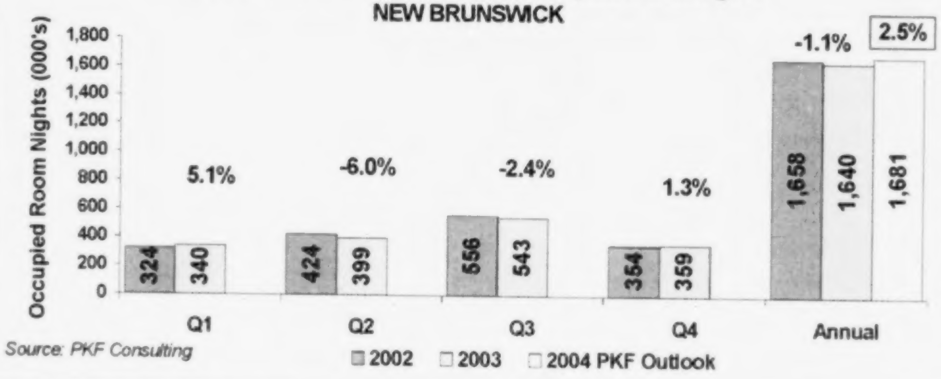
- Demand for New Brunswick's hotels declined by **approximately 18,000 room nights or 1.1% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in New Brunswick rose by 5.1% in quarter 1, declined by 6.0% and 2.4% in quarters 2 and 3, respectively before recovering to an improvement of 1.3% in quarter 4.
- Demand is forecasted by PKF to reach nearly 1,681,000 room nights in 2004, which represents a 2.5% increase in demand over 2003.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights NEW BRUNSWICK

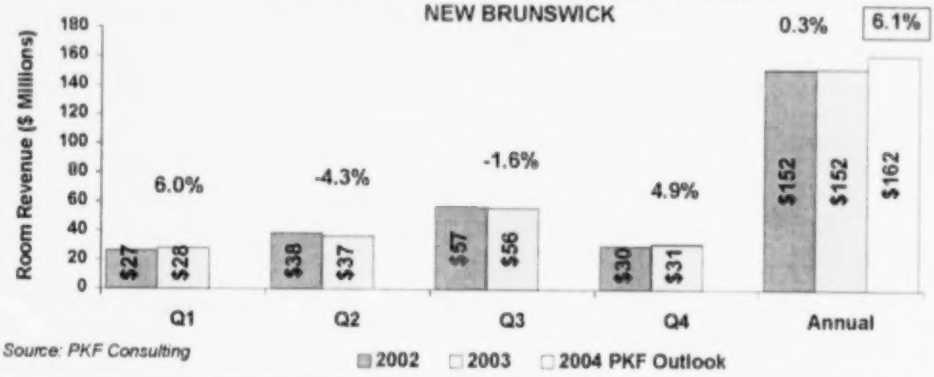


Source: PKF Consulting

Room Revenue

- Room revenue was 6.0% higher in the 1st quarter of 2003 compared to 2002, before declining by 4.3% and 1.6% in quarters 2 and 3 respectively. Room revenue rose by 4.9% in quarter 4, resulting in annual 2003 room revenue finishing 0.3% higher than in 2002.
- Overall, 2003 room revenue improved by nearly $0.5 Million (0.3%) compared to 2002 due to an improved rate.
- PKF forecasts that room revenue in New Brunswick will reach almost $162 Million in 2004, a 6.1% improvement over 2003.

Exhibit 3: Annual 2003 vs. 2002 Room Revenue NEW BRUNSWICK



Source: PKF Consulting

NEW BRUNSWICK 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	7,620	7,664	7,642	7,657	7,642	7,657	7,642	7,647	7,647
Available Room Nights	685,800	697,424	1,383,224	704,432	236,906	229,706	236,906	703,518	2,791,173
Occupancy	47%	61%	54%	79%	62%	54%	36%	50%	59%
Occupied Room Nights	323,713	423,866	747,579	556,178	148,408	123,582	84,267	354,257	1,658,014
Average Daily Rate	$82	$91	$87	$102	$87	$85	$78	$85	$92
Rooms Revenue ($000)	$26,521	$38,381	$64,902	$56,970	$12,915	$10,519	$6,553	$29,987	$151,860

2003 PKF OUTLOOK AT JANUARY 1, 2003

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	7,709	7,732	7,721	7,780	7,780	7,780	7,780	7,780	7,751
Available Room Nights	693,810	703,649	1,397,459	715,760	241,180	233,400	241,180	715,760	2,828,979
Occupancy (2% Demand Growth)	48%	61%	55%	79%	62%	54%	36%	50%	60%
Occupied Room Nights	330,187	432,343	762,530	567,302	149,336	126,053	85,953	361,342	1,691,174
Average Daily Rate (2% Rate Growth)	$84	$92	$89	$104	$90	$87	$79	$86	$93
Rooms Revenue ($000)	$27,593	$39,932	$67,524	$59,271	$13,436	$10,944	$6,818	$31,199	$157,995

2003 ACTUAL RESULTS

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	7,709	7,732	7,721	7,780	7,780	7,780	7,780	7,780	7,751
Available Room Nights	693,810	703,649	1,397,459	715,760	241,180	233,400	241,180	715,760	2,828,979
Occupancy	49%	57%	53%	76%	60%	54%	36%	50%	58%
Occupied Room Nights	340,067	398,546	738,614	543,070	144,949	126,269	87,524	358,743	1,640,426
Average Daily Rate	$83	$92	$88	$103	$92	$88	$80	$88	$93
Rooms Revenue ($000)	$28,108	$36,714	$64,822	$56,074	$13,315	$11,132	$7,013	$31,460	$152,357

2004 PKF OUTLOOK AT JANUARY 1, 2004

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	7,709	7,732	7,721	7,780				7,780	7,751
Available Room Nights	693,810	703,649	1,397,459	715,760				715,760	2,828,979
Occupancy	47%	61%	54%	79%				50%	58%
Occupied Room Nights	327,494	427,771	755,265	565,083				360,406	1,680,734
Average Daily Rate	$86	$95	$91	$107				$90	$96
Rooms Revenue ($000)	$28,115	$40,659	$68,774	$60,528				$32,283	$161,585

NEW BRUNSWICK 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.2%	0.9%	1.0%	1.6%	1.8%	1.6%	1.8%	1.7%	1.4%
Occupancy Points	1.8%	-4.1%	-1.2%	-3.1%	-1.7%	0.3%	0.7%	-0.2%	-1.4%
Occupied Room Nights	5.1%	-6.0%	-1.2%	-2.4%	-1.0%	2.2%	3.9%	1.3%	-1.1%
Average Daily Rate	0.9%	1.7%	1.1%	0.8%	4.1%	3.6%	3.0%	3.6%	1.4%
Rooms Revenue ($000)	6.0%	-4.3%	-0.1%	-1.6%	3.1%	5.8%	7.0%	4.9%	0.3%

2003 ACTUAL TO 2003 PKF OUTLOOK

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.4%	-4.8%	-1.7%	-3.4%	-1.8%	0.1%	0.7%	-0.4%	-1.8%
Occupied Room Nights	3.0%	-7.8%	-3.1%	-4.3%	-2.9%	0.2%	1.8%	-0.7%	-3.0%
Average Daily Rate	-1.1%	-0.3%	-0.9%	-1.2%	2.1%	1.5%	1.0%	1.6%	-0.6%
Rooms Revenue ($000)	1.9%	-8.1%	-4.0%	-5.4%	-0.9%	1.7%	2.9%	0.8%	-3.6%

2003 ACTUAL TO 2004 PKF OUTLOOK

NEW BRUNSWICK	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	-1.8%	4.2%	1.2%	3.1%				0.2%	1.4%
Occupied Room Nights	-3.7%	7.3%	2.3%	4.0%				0.5%	2.5%
Average Daily Rate	3.9%	3.2%	3.8%	3.7%				2.1%	3.5%
Rooms Revenue ($000)	0.0%	10.7%	6.1%	7.9%				2.6%	6.1%
Variance to 2003 PKF Forecast ($000)	*$515*	*-$3,218*	*-$2,702*	*-$3,197*	*-$121*	*$188*	*$195*	*$261*	*-$5,638*
Variance to 2002 Actuals ($000)	*$1,587*	*-$1,667*	*-$80*	*-$896*	*$400*	*$613*	*$460*	*$1,473*	*$497*

MONCTON 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073
Available Room Nights	186,570	188,643	375,213	190,716	64,263	62,190	64,263	190,716	756,645
Occupancy	50%	59%	55%	78%	58%	60%	34%	50%	59%
Occupied Room Nights	92,924	111,575	204,500	149,408	37,015	37,314	21,901	96,230	450,138
Average Daily Rate	$87	$92	$90	$104	$94	$92	$85	$91	$95
Rooms Revenue ($000)	$8,079	$10,286	$18,365	$15,602	$3,494	$3,447	$1,860	$8,801	$42,767

2003 PKF OUTLOOK AT JANUARY 1, 2003

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,073	2,096	2,085	2,144	2,144	2,144	2,144	2,144	2,115
Available Room Nights	186,570	190,773	377,343	197,248	66,464	64,320	66,464	197,248	771,839
Occupancy (2% Demand Growth)	51%	60%	55%	77%	57%	59%	34%	50%	59%
Occupied Room Nights	94,783	113,807	208,590	152,384	37,758	38,080	22,339	98,155	459,139
Average Daily Rate (2% Rate Growth)	$89	$94	$92	$107	$96	$94	$87	$93	$97
Rooms Revenue ($000)	$8,405	$10,701	$19,107	$16,232	$3,635	$3,587	$1,935	$9,156	$44,495

2003 ACTUAL RESULTS

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,073	2,096	2,085	2,141	2,414	2,414	2,141	2,322	2,158
Available Room Nights	186,570	190,773	377,343	196,972	74,834	72,420	66,371	213,625	787,940
Occupancy	52%	59%	56%	76%	58%	58%	36%	51%	60%
Occupied Room Nights	97,796	111,936	209,732	150,353	43,179	42,293	23,787	109,260	469,345
Average Daily Rate	$87	$94	$91	$105	$97	$94	$86	$93	$96
Rooms Revenue ($000)	$8,527	$10,528	$19,055	$15,832	$4,169	$3,972	$2,048	$10,189	$45,076

2004 PKF OUTLOOK AT JANUARY 1, 2004

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	2,322	2,322	2,322	2,322				2,322	2,322
Available Room Nights	208,980	211,302	420,282	213,624				213,624	847,530
Occupany	48%	59%	54%	73%				52%	58%
Occupied Room Nights	101,135	124,977	226,112	156,967				110,889	493,968
Average Daily Rate	$91	$96	$94	$109				$96	$99
Rooms Revenue ($000)	$9,194	$12,050	$21,244	$17,047				$10,635	$48,926

MONCTON 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	1.1%	0.6%	3.3%	16.4%	16.4%	3.3%	12.0%	4.1%
Occupancy Points	2.6%	-0.5%	1.1%	-2.0%	0.1%	-1.6%	1.8%	0.7%	0.1%
Occupied Room Nights	5.2%	0.3%	2.6%	0.6%	16.7%	13.3%	8.6%	13.5%	4.3%
Average Daily Rate	0.3%	2.0%	1.2%	0.8%	2.3%	1.7%	1.4%	2.0%	1.1%
Rooms Revenue ($000)	5.5%	2.4%	3.8%	1.5%	19.3%	15.2%	10.1%	15.8%	5.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.6%	-1.0%	0.3%	-0.9%	0.9%	-0.8%	2.2%	1.4%	0.1%
Occupied Room Nights	3.2%	-1.6%	0.5%	-1.3%	14.4%	11.1%	6.5%	11.3%	2.2%
Average Daily Rate	-1.7%	0.0%	-0.8%	-1.1%	0.3%	-0.3%	-0.6%	0.0%	-0.9%
Rooms Revenue ($000)	1.4%	-1.6%	-0.3%	-2.5%	14.7%	10.7%	5.8%	11.3%	1.3%

2003 ACTUAL TO 2004 PKF OUTLOOK

Moncton	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	12.0%	10.8%	11.4%	8.5%				0.0%	7.8%
Occupancy Points	-4.0%	0.5%	-1.8%	-2.8%				0.8%	-1.3%
Occupied Room Nights	3.4%	11.7%	7.8%	4.4%				1.5%	5.2%
Average Daily Rate	4.3%	2.5%	3.4%	3.1%				2.8%	3.1%
Rooms Revenue ($000)	7.8%	14.4%	11.5%	7.7%				4.4%	8.5%
Variance to 2003 PKF Forecast ($000)	*$122*	*-$173*	*-$51*	*-$400*	*$535*	*$385*	*$113*	*$1,033*	*$582*
Variance to 2002 Actuals ($000)	*$448*	*$243*	*$691*	*$230*	*$676*	*$525*	*$188*	*$1,388*	*$2,310*

OTHER NEW BRUNSWICK 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,547	5,591	5,569	5,591	5,591	5,591	5,591	5,591	5,580
Available Room Nights	499,230	508,781	1,008,011	514,372	173,321	167,730	173,321	514,372	2,036,755
Occupancy	46%	62%	54%	79%	64%	51%	36%	50%	59%
Occupied Room Nights	229,507	313,022	542,529	407,960	110,405	85,257	62,881	258,493	1,208,572
Average Daily Rate	$79	$90	$86	$102	$86	$91	$75	$81	$90
Rooms Revenue ($000)	$18,215	$28,116	$46,331	$41,374	$9,490	$8,803	$4,686	$21,044	$108,749

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,636	5,636	5,636	5,636	5,636	5,636	5,636	5,636	5,636
Available Room Nights	507,240	512,876	1,020,116	518,512	174,716	169,080	174,716	518,512	2,057,140
Occupancy (2% Demand Growth)	46%	62%	54%	80%	64%	51%	37%	51%	60%
Occupied Room Nights	234,087	319,282	553,370	415,701	112,614	86,011	64,138	263,063	1,232,763
Average Daily Rate (2% Rate Growth)	$81	$92	$87	$104	$87	$83	$75	$83	$92
Rooms Revenue ($000)	$18,951	$29,252	$48,203	$43,045	$9,837	$7,181	$4,875	$21,894	$113,143

2003 ACTUAL RESULTS

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,636	5,636	5,636	5,636	5,636	5,636	5,636	5,636	5,636
Available Room Nights	507,240	512,876	1,020,116	518,512	174,716	169,080	174,716	518,512	2,057,140
Occupancy	47%	56%	52%	76%	61%	52%	37%	50%	57%
Occupied Room Nights	240,522	285,630	526,152	392,521	106,751	87,753	63,799	258,303	1,176,980
Average Daily Rate	$80	$91	$86	$102	$90	$85	$77	$85	$91
Rooms Revenue ($000)	$19,270	$26,042	$45,312	$40,175	$9,595	$7,450	$4,930	$21,975	$107,462

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	5,636	5,636	5,636	5,636				5,636	5,636
Available Room Nights	507,240	512,876	1,020,116	518,512				518,512	2,057,140
Occupancy	47%	58%	53%	78%				50%	58%
Occupied Room Nights	240,522	297,299	537,821	404,834				259,293	1,200,948
Average Daily Rate	$83	$95	$90	$106				$85	$94
Rooms Revenue ($000)	$20,078	$28,191	$48,269	$42,812				$22,018	$113,098

OTHER NEW BRUNSWICK 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.6%	0.8%	1.2%	0.8%	0.8%	0.8%	0.8%	0.8%	1.0%
Occupancy Points	1.4%	-5.6%	-2.2%	-3.5%	-2.6%	1.1%	0.2%	-0.4%	-2.1%
Occupied Room Nights	4.8%	-8.8%	-3.0%	-3.7%	-3.3%	3.0%	1.4%	-0.1%	-2.6%
Average Daily Rate	0.8%	1.5%	0.8%	0.6%	5.0%	4.8%	3.7%	4.5%	1.5%
Rooms Revenue ($000)	5.8%	-7.4%	-2.2%	-2.9%	1.5%	7.9%	5.2%	4.4%	-1.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.3%	-6.6%	-2.7%	-4.5%	-3.4%	0.5%	-0.7%	-1.0%	-2.7%
Occupied Room Nights	2.7%	-10.5%	-4.9%	-5.6%	-5.2%	1.0%	-0.5%	-2.0%	-4.5%
Average Daily Rate	-1.0%	-0.5%	-1.1%	-1.2%	2.9%	2.7%	1.7%	2.5%	-0.5%
Rooms Revenue ($000)	1.7%	-11.0%	-6.0%	-6.7%	-2.5%	3.7%	1.1%	0.4%	-5.0%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other New Brunswick	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	2.3%	1.1%	2.4%				0.0%	1.2%
Occupied Room Nights	0.0%	4.1%	2.2%	3.1%				0.0%	2.0%
Average Daily Rate	4.2%	4.0%	4.2%	3.3%				0.2%	3.1%
Rooms Revenue ($000)	4.2%	8.3%	6.5%	6.6%				0.2%	5.2%
Variance to 2003 PKF Forecast ($000)	$319	-$3,209	-$2,891	-$2,871	-$242	$269	$55	$81	-$5,680
Variance to 2002 Actuals ($000)	$1,055	-$2,074	-$1,019	-$1,199	$140	$548	$244	$932	-$1,286

4.0 QUEBEC PROVINCIAL/MARKET PERFORMANCE

4.1 PROVINCE OF QUEBEC

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Quebec's accommodation market averaged 56,685 rooms in 2003 – a 0.2% increase over 2002, due to the addition of 140 new rooms.
- PKF estimates that the room supply will increase by 152 rooms in 2004 based on known projects currently under development.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002		Annual 2003		% Change		Annual 2004	
	Occ	ADR	Occ	ADR	Demand	ADR	PKF Outlook	
Montreal Overall	68%	$136	65%	$135	-5%	-1%	68%	$138
Greater Quebec City	66%	$145	60%	$140	-8%	-4%	62%	$145
Other Quebec	58%	$113	55%	$115	-5%	2%	57%	$118
Total Quebec	**65%**	**$133**	**61%**	**$132**	**-6%**	**-1%**	**64%**	**$135**

Source: PKF Consulting

- Quebec's accommodation market achieved 61% occupancy at an average daily rate of $132. Occupancy levels were down by 4 percentage points, with the average daily rate also down, by $1 from 2002.
- Demand for Quebec's hotels was **down approximately 736,000 room nights or 5.5% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Quebec was ahead by 0.9% in quarter 1, before sharply declining by 7.7%, 9.8% and 2.8% in the last three quarters of 2003, respectively.
- Demand is forecasted by PKF to reach 13,319,410 room nights in 2004, a 5.3% increase from 2003.

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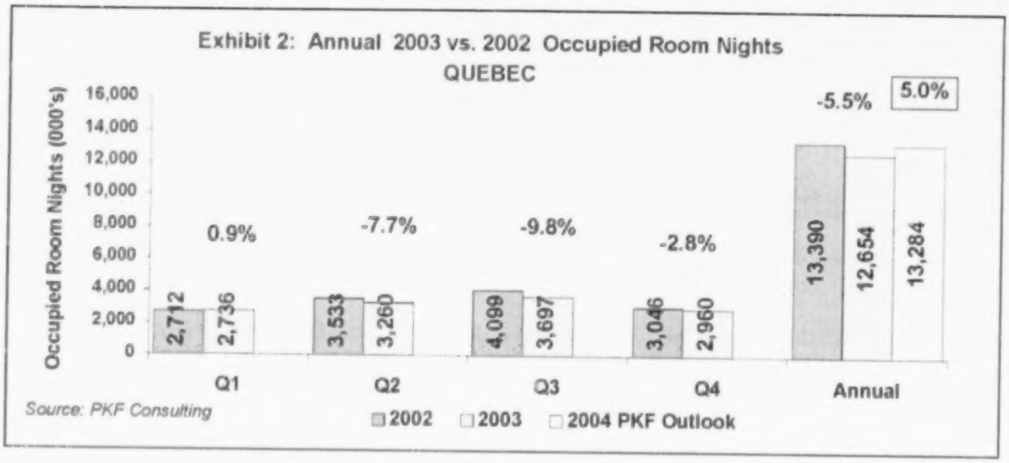


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
QUEBEC

Source: PKF Consulting

Room Revenue

- Room revenue was 3.0% higher in the first quarter of 2003 before dropping significantly by 9.1% and 12.5% in the 2nd and 3rd quarters, respectively. While on an upward trend, quarter 4 still experienced a 2.6% year-over-year decline.
- Overall, 2003 room revenue was off by $118 Million (6.6%) compared to 2002.
- PKF forecasts that 2004 room revenue in Quebec will reach $1.8 Billion, a 7.8% improvement over 2003.

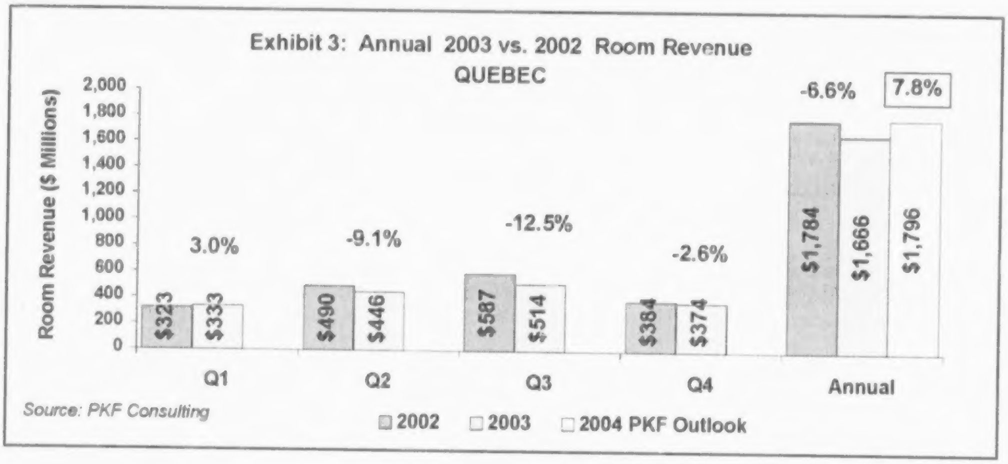


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
QUEBEC

Source: PKF Consulting

QUEBEC 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

QUEBEC	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	56,436	56,436	56,540	56,763	56,763	56,763	56,763	56,545
Available Room Nights	5,135,676	10,214,916	5,201,692	1,759,653	1,702,890	1,759,653	5,222,196	20,638,804
Occupancy	69%	61%	79%	73%	57%	45%	58%	65%
Occupied Room Nights	3,533,323	6,245,354	4,098,514	1,289,828	987,242	789,028	3,046,098	13,389,964
Average Daily Rate	$139	$130	$143	$135	$118	$121	$126	$133
Rooms Revenue ($000)	$490,390	$813,078	$587,387	$174,359	$113,960	$95,267	$383,586	$1,784,052

2003 PKF OUTLOOK AT JANUARY 1, 2003

QUEBEC	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	56,519	56,640	56,620	56,837	56,837	56,837	56,837	56,685
Available Room Nights	5,143,194	10,251,864	5,209,040	1,761,947	1,705,110	1,761,947	5,229,004	20,689,908
Occupancy (2.5% Demand Growth)	70%	62%	81%	75%	58%	46%	60%	66%
Occupied Room Nights	3,621,656	6,401,488	4,200,977	1,322,071	991,423	808,754	3,122,248	13,724,713
Average Daily Rate (2.5% Rate Growth)	$142	$133	$147	$139	$121	$124	$129	$137
Rooms Revenue ($000)	$515,216	$854,240	$617,124	$183,186	$119,730	$100,090	$403,005	$1,874,369

2003 ACTUAL RESULTS

QUEBEC	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	56,519	56,640	56,620	56,837	56,837	56,837	56,837	56,685
Available Room Nights	5,143,194	10,251,864	5,209,040	1,761,947	1,705,110	1,761,947	5,229,004	20,689,908
Occupancy	63%	58%	71%	70%	55%	45%	57%	61%
Occupied Room Nights	3,260,433	5,996,637	3,697,156	1,228,315	942,926	790,586	2,959,827	12,653,619
Average Daily Rate	$137	$130	$139	$136	$119	$119	$126	$132
Rooms Revenue ($000)	$445,541	$778,060	$514,045	$166,791	$112,538	$94,309	$373,638	$1,665,744

2004 PKF OUTLOOK AT JANUARY 1, 2004

QUEBEC	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	56,837	56,837	56,837				56,837	56,837
Available Room Nights	5,172,167	10,287,497	5,229,004				5,229,004	20,745,505
Occupany	68%	61%	78%				57%	64%
Occupied Room Nights	3,500,022	6,239,793	4,080,897				2,998,720	13,319,410
Average Daily Rate	$141	$132	$146				$128	$135
Rooms Revenue ($000)	$492,210	$822,765	$593,942				$383,738	$1,800,445

QUEBEC 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

QUEBEC	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.1%	0.4%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%
Occupancy Points	-5.4%	-2.6%	-7.8%	-3.7%	-1.5%	0.0%	-1.7%	-3.7%
Occupied Room Nights	-7.7%	-4.0%	-9.8%	-4.9%	-2.5%	0.2%	-2.8%	-5.5%
Average Daily Rate	-1.5%	-0.3%	-3.0%	0.6%	1.3%	-1.2%	0.2%	-1.2%
Rooms Revenue ($000)	-9.1%	-4.3%	-12.5%	-4.3%	-1.2%	-1.0%	-2.6%	-6.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

QUEBEC	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-7.0%	-3.9%	-9.7%	-5.4%	-2.8%	-1.0%	-3.1%	-5.2%
Occupied Room Nights	-10.0%	-6.3%	-12.0%	-7.2%	-4.9%	-2.2%	-5.2%	-7.8%
Average Daily Rate	-3.9%	-2.8%	-5.4%	-1.8%	-1.2%	-3.6%	-2.2%	-3.6%
Rooms Revenue ($000)	-13.5%	-8.9%	-16.7%	-8.9%	-6.0%	-5.8%	-7.3%	-11.1%

2003 ACTUAL TO 2004 PKF OUTLOOK

QUEBEC	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.6%	0.3%	0.4%				0.0%	0.3%
Occupancy Points	4.3%	2.2%	7.1%				0.7%	3.0%
Occupied Room Nights	7.3%	4.1%	10.4%				1.3%	5.3%
Average Daily Rate	2.9%	1.6%	4.7%				1.4%	2.7%
Rooms Revenue ($000)	10.5%	5.7%	15.5%				2.7%	8.1%
Variance to 2003 PKF Forecast ($000)	*-$69,675*	*-$76,180*	*-$103,078*	*-$16,394*	*-$7,191*	*-$5,781*	*-$29,367*	*-$208,625*
Variance to 2002 Actuals ($000)	*-$44,849*	*-$35,018*	*-$73,342*	*-$7,568*	*-$1,422*	*-$958*	*-$9,948*	*-$118,308*

4.2 GREATER MONTREAL AREA

2003 ANNUAL RESULTS

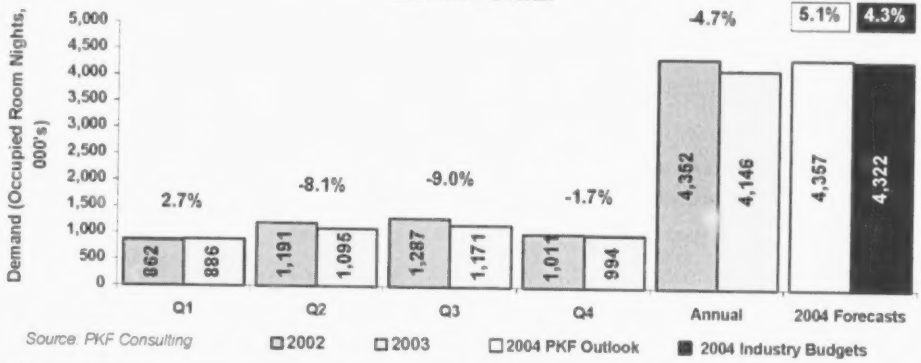
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Montreal market was 17,529 rooms – with the addition of 50 guest rooms.
- PKF estimates that 78 new guest rooms will be added to Montreal's accommodation inventory in 2004.

Demand

- During 2003, the Greater Montreal hotel market achieved 65% occupancy at an average daily rate of $135.
- Demand for hotels rooms in Greater Montreal **was down by over 206,000 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Montreal rose by 2.7% in quarter 1 before declining by 8.1%, 9.0% and 1.7% in the last three quarters, respectively.
- Demand is forecasted by PKF to reach 4,357,000 room nights in 2004, which represents a 5.1% increase in demand compared to 2003.
- The industry has budgeted for 67% occupancy at an average rate of $141 representing a 9.0% increase in room revenue compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Montreal - Overall



Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to a good start for Montreal's hotel operators with quarter 1 room revenue improving by 4.6% in 2003. A year-over-year decline was experienced in all remaining quarters of 2003 – quarter 2 (9.6%), quarter 3 (10.7%), quarter 4 (1.3%).

- Overall, 2003 room revenue declined by $33 Million (5.7%) compared to 2002 due primarily to the loss of demand.

- PKF forecasts that 2004 room revenue in Greater Montreal will reach $603 Million, an 8.1% improvement over 2003.

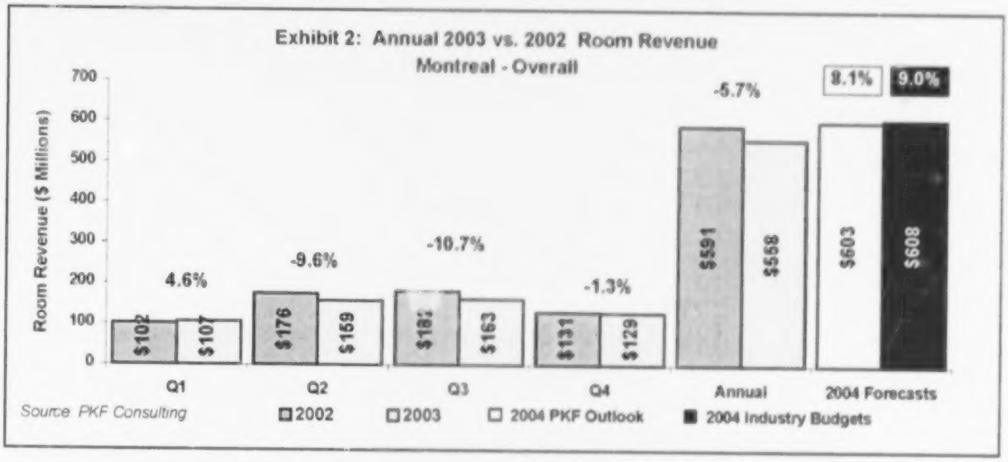


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Montreal - Overall

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st, Greater Montreal hoteliers had pre-booked over 394,000 room nights for the upcoming months of October, November and December – 16% fewer room nights than were pre- booked over the same time frame last year.

- The fill rate for the industry was 11.2% higher for quarter 4 with 60,000 more room nights sold compared to 2002 during the quarter.

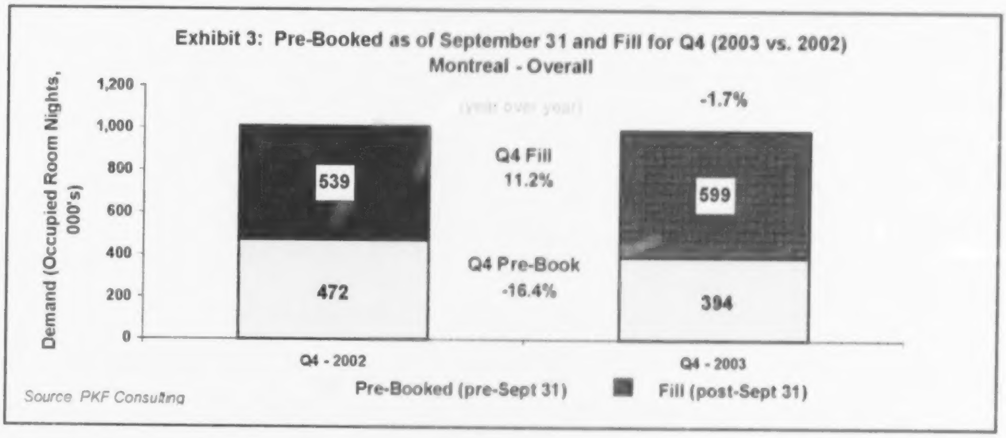


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
Montreal - Overall

Source: PKF Consulting

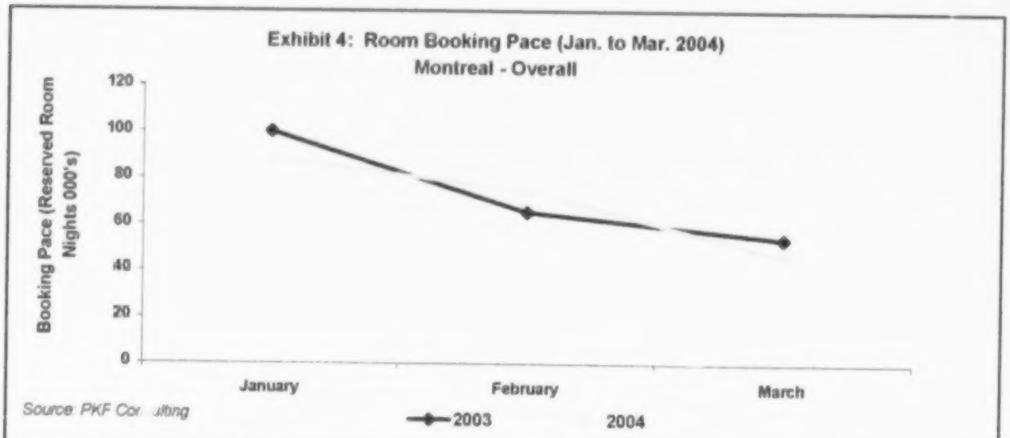
Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Greater Montreal accommodations experienced a decline in demand during the 4th quarter, with the loss of 17,000 occupied room nights. Montreal hoteliers reported that economic factors were the main cause of this decline. However, operators noted that destination marketing programs recovered a portion of this decline in demand.
- Greater Montreal hoteliers reported that the majority of lost demand was due to fewer travellers from the Canada (42%) and the United States (41%) with Overseas travellers only responsible for 18% of the lower demand.
- Hotels in the Greater Montreal Area attributed most of their demand erosion to a decline in business travellers (34%), with most of the remainder split between independent Leisure travel (22%), group leisure (18%) and meetings convention travel (17%).
- Hotels in both Montreal markets attribute a majority of their decline in 4th quarter demand to guest arriving via automobile (54%) and air (38%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1, 2004, 210,000 room nights or 26% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, **220,000 room nights** of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **10,000 fewer room nights** or a 5% decline in pre-booked room nights.



Source: PKF Cor. ulting

Montreal - Overall

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	17,380	17,380	17,380	17,464	17,687	17,687	17,687	17,687	17,470
Available Room Nights	1,564,200	1,581,580	3,145,780	1,606,700	548,297	530,610	548,297	1,627,204	6,379,684
Occupancy	56%	75%	65%	80%	78%	62%	47%	62%	68%
Occupied Room Nights	862,135	1,191,448	2,053,583	1,287,227	426,963	329,093	255,013	1,011,069	4,351,879
Average Daily Rate	$119	$147	$135	$142	$141	$124	$117	$130	$136
Rooms Revenue ($000)	$102,296	$175,602	$277,897	$182,349	$60,147	$40,917	$29,927	$130,[illegible]	$591,237

2003 ACTUAL RESULTS

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	17,687	17,433	17,559	17,390	17,607	17,607	17,607	17,607	17,529
Available Room Nights	1,591,830	1,586,378	3,178,208	1,599,880	545,817	528,210	545,817	1,619,844	6,397,932
Occupancy	56%	69%	62%	73%	75%	61%	48%	61%	65%
Occupied Room Nights	885,589	1,095,047	1,980,636	1,171,288	411,983	322,033	259,714	993,729	4,145,664
Average Daily Rate	$121	$145	$134	$138	$142	$125	$117	$130	$135
Rooms Revenue ($000)	$107,000	$158,710	$265,709	$162,791	$58,680	$40,165	$30,422	$129,268	$557,766

BOOKING PATTERNS

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	219,680	479,280	698,071	762,036	279,002	136,843	56,996	471,842	1,872,849
% Of Rooms Sold	25%	40%	34%	59%	65%	42%	22%	47%	43%
2003 BOOKINGS	213,931	457,005	670,936	471,984	223,079	122,469	48,770	394,322	1,537,122
% Of Rooms Sold	24%	42%	34%	40%	54%	38%	19%	40%	37%
2002/2003 VARIANCE	-3%	-5%	-4%	-33%	-20%	-11%	-13%	-16%	-18%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.8%	0.3%	1.0%	-0.4%	-0.5%	-0.5%	-0.5%	-0.5%	0.3%
Occupancy Points	0.5%	-6.3%	-3.0%	-6.8%	-2.4%	-1.1%	1.1%	-0.8%	-3.4%
Occupied Room Nights	2.7%	-8.1%	-3.6%	-9.0%	-3.5%	-2.1%	1.8%	-1.7%	-4.7%
Average Daily Rate	1.8%	-1.7%	-0.9%	-1.9%	1.1%	0.3%	-0.2%	0.4%	-1.0%
Rooms Revenue ($000)	4.6%	-9.6%	-4.4%	-10.7%	-2.4%	-1.8%	1.7%	-1.3%	-5.7%

2003 ACTUAL TO 2003 PKF OUTLOOK

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.2%	-8.3%	-4.2%	-9.5%	-5.1%	-4.0%	-0.5%	-3.2%	-6.3%
Occupied Room Nights	-0.3%	-10.8%	-6.4%	-11.7%	-6.3%	-6.2%	-1.0%	-5.0%	-7.6%
Average Daily Rate	-1.1%	-4.5%	-3.8%	-4.7%	0.3%	-0.7%	-1.9%	-0.7%	-3.5%
Rooms Revenue ($000)	-1.4%	-14.8%	-9.9%	-15.9%	-6.1%	-6.9%	-2.9%	-5.6%	-10.8%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.5%	-8.1%	-2.3%	-7.0%	-2.7%	-1.3%	0.9%	-1.1%	-3.2%
Occupied Room Nights	2.7%	-8.1%	-3.6%	-9.0%	-3.5%	-2.1%	1.8%	-1.7%	-4.7%
Average Daily Rate	1.8%	-1.7%	-0.9%	-1.9%	1.1%	0.3%	-0.2%	0.4%	-1.0%
Rooms Revenue ($000)	4.6%	-9.6%	-4.4%	-10.7%	-2.4%	-1.8%	1.7%	-1.3%	-5.7%

REVENUE VARIANCE SUMMARY

Montreal - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$4,704	-$16,892	-$12,188	-$19,558	-$1,467	-$752	$496	-$1,723	-$33,469
2003 Actual versus 2003 PKF Outlook ($000)	-$1,526	-$27,586	-$29,112	-$30,663	-$3,792	-$2,984	-$894	-$7,670	-$67,445

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	41%	(7,144)
Local/Regional Economic Conditions	18%	(3,084)
Destination Marketing Promotions/Packages	10%	(1,776)
Increased Supply/Competition	5%	(931)
Geopolitical Reasons (Iraq War, Residual 9/11)	9%	(1,559)
Fear/Impacts Associated with SARS	8%	(1,459)
Other Reasons	8%	(1,386)
Total	100%	(17,339)

SEGMENTATION	%	ORN
Business Travel	34%	(5,929)
Independent Leisure Travel	22%	(3,796)
Group Leisure	18%	(3,094)
Meetings/Convention Travel	17%	(2,994)
Government	6%	(1,033)
Other	3%	(494)
Total	100%	(17,339)

GUEST ORIGIN	%	ORN
Domestic Travel	42%	(7,200)
US Travel	41%	(7,077)
Overseas Travel	18%	(3,082)
Total	100%	(17,339)

TRANSPORTATION	%	ORN
Air	38%	(6,560)
Automobile	54%	(9,436)
Motorcoach	8%	(1,304)
Other	0%	(40)
Total	100%	(17,339)

Montreal - Overall

2004 OUTLOOK

2003 ACTUAL RESULTS

Montreal - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	17 697	17 697	17 697	17 697	17 433	17 559	17 398	17 607	17 529
Available Room Nights	548 607	495 516	548 607	1 592 730	1 586 378	3 179 108	1 598 080	1 619 844	6 397 032
Occupancy	50%	58%	60%	56%	69%	62%	73%	61%	65%
Occupied Room Nights	272 583	286 702	328 304	885 589	1 095 047	1 980 636	1 171 298	993 728	4 145 664
Average Daily Rate	$121	$121	$121	$121	$145	$134	$139	$130	$135
Rooms Revenue ($000)	$32 886	$34 578	$39 538	$107 000	$158 710	$265 708	$162 781	$129 298	$557 788

2004 PKF OUTLOOK AT JANUARY 1, 2004

Montreal - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	17 607	17 607	17 607	17 607	17 607	17 607	17 607	17 607	17 607
Available Room Nights	545 817	492 996	545 817	1 584 630	1 602 237	3 186 867	1 619 844	1 619 844	6 426 555
Occupancy	52%	58%	60%	57%	73%	65%	80%	62%	68%
Occupied Room Nights	281 873	284 247	330 303	895 523	1 164 566	2 060 089	1 296 205	1 000 830	4 357 196
Average Daily Rate	$120	$122	$126	$123	$143	$134	$151	$131	$138
Rooms Revenue ($000)	$33 865	$34 607	$41 470	$109 942	$166 506	$276 448	$195 354	$131 335	$603 137

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Montreal - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	17 607	17 607	17 607	17 607	17 607	17 607	17 607	17 607	17 607
Available Room Nights	545 817	492 996	545 817	1 584 630	1 602 237	3 186 867	1 619 844	1 619 844	6 426 555
Occupancy	49%	59%	57%	55%	72%	63%	80%	63%	67%
Occupied Room Nights	264 759	292 843	326 805	886 236	1 149 960	2 016 206	1 288 130	1 017 973	4 322 309
Average Daily Rate	$123	$124	$126	$124	$146	$136	$149	$139	$141
Rooms Revenue ($000)	$32 633	$36 142	$38 840	$107 620	$167 084	$274 713	$191 814	$141 413	$607 940

2004 BOOKING PATTERNS

Montreal - Overall	January	February	March	1st Quarter
2003 BOOKINGS	100 022	65 526	54 133	219 680
% Of Rooms Sold	38%	22%	18%	25%
2004 BOOKINGS	88 384	74 881	46 460	209 729
% Of Rooms Sold	41%	26%	14%	20%
2003/2004 VARIANCE	-12%	14%	-14%	-5%

2004 PKF OUTLOOK versus 2003 ACTUAL

Montreal - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	-0.5%	-0.5%	-0.5%	-0.5%	1.0%	0.3%	1.2%	0.0%	0.4%
Occupancy Points	1.9%	-0.2%	0.8%	0.9%	3.7%	2.3%	6.8%	0.4%	3.0%
Occupied Room Nights	3.4%	-0.9%	0.6%	1.1%	6.3%	4.0%	10.7%	0.7%	5.1%
Average Daily Rate	-0.5%	1.0%	3.0%	1.6%	-1.4%	0.0%	8.4%	0.8%	2.9%
Rooms Revenue ($000)	3.0%	0.1%	4.9%	2.7%	4.9%	4.0%	20.0%	1.6%	8.1%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Montreal - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-1.2%	1.0%	-2.9%	-1.0%	2.7%	0.9%	6.3%	1.9%	2.5%
Occupied Room Nights	-2.9%	2.1%	-0.4%	-2.2%	5.0%	1.8%	10.0%	2.4%	4.3%
Average Daily Rate	2.2%	2.4%	3.8%	2.8%	0.3%	1.0%	7.1%	6.8%	4.5%
Rooms Revenue ($000)	-0.8%	4.5%	-1.8%	0.6%	5.3%	3.4%	17.8%	9.4%	9.0%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0	-	$ -
SARS Fallout	0	-	$ -
Other Reasons	0	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

Montreal Downtown

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	11,759	11,759	11,759	11,952	12,066	12,066	12,066	12,066	11,885
Available Room Nights	1,058,310	1,070,069	2,128,379	1,099,596	374,046	361,980	374,046	1,110,072	4,338,047
Occupancy	53%	77%	65%	80%	80%	61%	43%	62%	68%
Occupied Room Nights	560,928	821,341	1,382,269	879,613	299,237	221,170	162,488	682,895	2,944,777
Average Daily Rate	$128	$163	$149	$158	$156	$134	$127	$142	$150
Rooms Revenue ($000)	$71,608	$133,954	$205,562	$138,653	$46,687	$29,661	$20,671	$97,019	$441,235

2003 ACTUAL RESULTS

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	12,066	11,758	11,911	11,607	11,759	11,759	11,759	11,759	11,796
Available Room Nights	1,085,940	1,070,007	2,155,947	1,067,844	364,529	352,770	364,529	1,081,828	4,305,619
Occupancy	53%	69%	61%	73%	79%	61%	45%	62%	64%
Occupied Room Nights	578,565	737,123	1,315,688	781,628	288,707	215,190	162,543	666,440	2,763,756
Average Daily Rate	$131	$162	$149	$157	$158	$136	$128	$144	$150
Rooms Revenue ($000)	$75,919	$119,662	$195,581	$122,737	$45,749	$29,023	$20,875	$95,647	$413,964

BOOKING PATTERNS

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
2002 BOOKINGS	93,477	305,380	398,858	439,775	171,312	75,282	21,576	268,150	1,106,783
% Of Rooms Sold	17%	37%	29%	50%	57%	34%	13%	39%	38%
2003 BOOKINGS	112,516	295,644	408,160	312,160	160,588	75,111	18,863	254,560	974,837
% Of Rooms Sold	19%	40%	31%	40%	56%	35%	12%	38%	35%
2002/2003 VARIANCE	20%	-3%	2%	-29%	-6%	0%	-8%	-5%	-12%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	2.6%	0.0%	1.3%	-2.0%	-2.5%	-2.5%	-2.5%	-2.5%	-0.5%
Occupancy Points	0.3%	-7.9%	-3.9%	-7.3%	-0.8%	-0.1%	1.2%	0.1%	-3.9%
Occupied Room Nights	3.1%	-10.3%	-4.8%	-10.9%	-3.5%	-2.7%	0.0%	-2.4%	-6.1%
Average Daily Rate	2.8%	-0.9%	0.0%	-0.7%	1.6%	0.6%	1.0%	1.0%	-0.1%
Rooms Revenue ($000)	6.0%	-10.7%	-4.9%	-11.5%	-2.0%	-2.2%	1.0%	-1.4%	-6.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Occupancy Points	0.1%	-10.2%	-6.0%	-11.4%	-6.9%	-0.4%	-2.1%	-4.3%	-6.4%
Occupied Room Nights	0.1%	-12.9%	-7.6%	-13.4%	-6.4%	-9.1%	-4.0%	-6.9%	-9.1%
Average Daily Rate	-0.2%	-3.4%	-3.0%	-3.0%	0.1%	-1.2%	-1.7%	-0.7%	-2.8%
Rooms Revenue ($000)	-0.1%	-15.8%	-10.3%	-16.0%	-6.4%	-9.2%	-6.1%	-7.2%	-11.6%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Occupancy Points	-0.4%	-7.2%	-3.9%	-11.6%	-6.0%	-1.3%	-3.7%	-3.3%	-6.6%
Occupied Room Nights	-0.8%	-9.5%	-6.9%	-13.7%	-6.9%	-2.2%	-7.6%	-5.1%	-8.1%
Average Daily Rate	1.0%	-2.6%	-1.8%	-2.8%	-4.2%	-7.0%	-4.2%	-6.3%	-3.0%
Rooms Revenue ($000)	0.2%	-11.8%	-7.5%	-16.2%	-9.8%	-9.9%	-11.5%	-10.2%	-10.9%

REVENUE VARIANCE SUMMARY

Montreal Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
2003 Actual versus 2002 Actual ($000)	$4,310	-$14,291	-$9,981	-$15,917	-$938	-$638	$204	-$1,373	-$27,270
2003 Actual versus 2003 PKF Outlook ($000)	-$50	-$22,449	-$22,500	-$24,361	-$3,116	-$2,932	-$1,365	-$7,413	-$54,273

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS					
MARKET FACTORS	**%**	**ORN**	**SEGMENTATION**	**%**	**ORN**
National/Provincial Economic Conditions	42%	(6,987)	Business Travel	34%	(5,578)
Local/Regional Economic Conditions	17%	(2,764)	Independent Leisure Travel	23%	(3,730)
Destination Marketing Promotions/Packages	10%	(1,698)	Group Leisure	18%	(3,020)
Increased Supply/Competition	5%	(886)	Meetings/Convention Travel	16%	(2,642)
Geopolitical Reasons (Iraq War, Residual 9/11)	9%	(1,476)	Government	6%	(1,010)
Fear/Impacts Associated with SARS	9%	(1,455)	Other	3%	(472)
Other Reasons	7%	(1,206)			
Total	100%	(16,452)	**Total**	100%	(16,452)
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	40%	(6,629)	Air	38%	(6,313)
US Travel	42%	(6,950)	Automobile	54%	(8,853)
Overseas Travel	17%	(2,873)	Motorcoach	8%	(1,249)
			Other	0%	(37)
Total	100%	(16,452)	**Total**	100%	(16,452)

Montreal Downtown

2004 OUTLOOK

2003 ACTUAL RESULTS

Montreal Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	12,066	12,066	12,066	12,066	11,759	11,911	11,827	11,759	11,759
Available Room Nights	374,046	337,848	374,046	1,085,940	1,073,057	2,155,947	1,087,844	1,081,828	4,325,619
Occupancy	47%	55%	58%	53%	69%	61%	73%	62%	64%
Occupied Room Nights	174,305	185,818	218,443	578,565	737,123	1,315,688	791,639	666,443	2,773,758
Average Daily Rate	$133	$132	$129	$131	$162	$148	$157	$144	$150
Rooms Revenue ($000)	$23,163	$24,589	$28,166	$75,919	$119,662	$195,581	$122,737	$95,647	$413,964

2004 PKF OUTLOOK AT JANUARY 1, 2004

Montreal Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759
Available Room Nights	364,529	329,252	364,529	1,058,310	1,070,069	2,128,379	1,081,828	1,081,828	4,292,035
Occupancy	50%	55%	60%	55%	73%	64%	82%	62%	68%
Occupied Room Nights	182,285	181,089	218,717	582,071	784,913	1,366,984	893,499	667,323	2,917,806
Average Daily Rate	$130	$133	$135	$133	$158	$147	$172	$145	$154
Rooms Revenue ($000)	$23,694	$24,085	$29,527	$77,306	$123,866	$201,172	$151,839	$96,552	$449,571

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Montreal Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759
Available Room Nights	364,529	329,252	364,529	1,058,310	1,070,069	2,128,379	1,081,828	1,081,828	4,292,035
Occupancy	46%	57%	57%	53%	72%	63%	80%	64%	67%
Occupied Room Nights	167,296	187,164	209,385	563,845	773,814	1,337,662	870,839	688,466	2,896,756
Average Daily Rate	$137	$135	$135	$136	$162	$151	$169	$155	$157
Rooms Revenue ($000)	$22,856	$25,287	$28,365	$76,511	$125,223	$201,734	$146,956	$108,823	$455,513

2004 BOOKING PATTERNS

Montreal Downtown	January	February	March	1st Quarter
2003 BOOKINGS	58,127	25,759	8,591	93,477
% Of Rooms Sold	34%	14%	4%	16%
2004 BOOKINGS	46,391	21,048	7,320	75,711
% Of Rooms Sold	27%	11%	3%	13%
2003/2004 VARIANCE	-22%	-18%	-15%	-19%

2004 PKF OUTLOOK versus 2003 ACTUAL

Montreal Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	-2.5%	-2.5%	-2.5%	-2.5%	0.0%	-1.3%	1.3%	0.0%	-0.3%
Occupancy Points	3.4%	0.0%	1.8%	1.7%	4.0%	3.2%	8.5%	0.1%	3.8%
Occupied Room Nights	4.6%	-2.5%	0.1%	0.6%	6.5%	3.9%	13.1%	0.1%	5.6%
Average Daily Rate	-2.2%	0.5%	4.7%	1.2%	-2.8%	-1.0%	9.3%	0.9%	2.8%
Rooms Revenue ($000)	2.3%	-2.1%	4.8%	1.8%	3.5%	2.9%	23.5%	1.0%	8.6%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Montreal Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-0.7%	1.8%	-1.0%	0.0%	3.4%	1.8%	7.3%	2.0%	3.3%
Occupied Room Nights	-4.0%	0.7%	-4.1%	-2.5%	5.0%	1.7%	11.4%	3.3%	4.8%
Average Daily Rate	2.8%	2.1%	5.1%	3.4%	-0.3%	1.5%	7.5%	8.1%	5.0%
Rooms Revenue ($000)	-1.3%	2.8%	0.7%	0.8%	4.6%	3.1%	19.7%	11.7%	10.0%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

Montreal Airport/Laval

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,621	5,621	5,621	5,621	5,621	5,621	5,621	5,621	5,621
Available Room Nights	505,890	511,511	1,017,401	517,132	174,251	168,630	174,251	517,132	2,051,665
Occupancy	60%	72%	66%	79%	73%	64%	53%	63%	69%
Occupied Room Nights	301,207	370,107	671,314	410,814	127,726	107,823	92,527	328,176	1,410,154
Average Daily Rate	$102	$113	$108	$106	$105	$104	$100	$104	$106
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL RESULTS

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,621	5,674	5,648	5,783	5,849	5,849	5,849	5,849	5,732
Available Room Nights	505,890	516,371	1,022,261	532,036	181,319	175,440	181,319	538,078	2,092,313
Occupancy	61%	69%	65%	73%	68%	61%	54%	61%	66%
Occupied Room Nights	307,025	357,024	664,049	389,673	123,278	106,843	97,170	327,291	1,381,309
Average Daily Rate	$101	$109	$105	$103	$105	$104	$98	$103	$104
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BOOKING PATTERNS

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	126,203	173,910	300,113	262,281	108,690	61,581	35,420	203,691	766,085
% OF Rooms Sold	42%	47%	45%	64%	84%	57%	38%	62%	54%
2003 BOOKINGS	101,415	161,361	262,776	159,695	62,481	47,359	29,919	139,613	562,285
% OF Rooms Sold	33%	45%	40%	41%	51%	44%	31%	43%	41%
2002/2003 VARIANCE	-20%	-7%	-12%	-38%	-41%	-23%	-16%	-31%	-27%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	1.0%	0.5%	2.9%	4.0%	4.0%	4.0%	4.0%	2.0%
Occupancy Points	1.1%	-3.0%	-0.9%	-6.2%	-5.0%	-3.1%	0.5%	-2.6%	-2.7%
Occupied Room Nights	1.9%	-3.5%	-0.9%	-5.1%	-3.5%	-1.0%	5.0%	-0.3%	-2.0%
Average Daily Rate	-0.6%	-3.1%	-2.1%	-3.4%	-3.5%	0.0%	-1.8%	-0.8%	-2.2%
Rooms Revenue ($000)	1.3%	-6.2%	-3.1%	-8.3%	-3.0%	-1.0%	3.1%	-1.0%	-4.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.6%	-4.5%	-2.6%	-5.7%	-4.4%	-1.4%	2.9%	-1.2%	-3.0%
Occupied Room Nights	-1.0%	-6.1%	-3.8%	-7.0%	-6.0%	-2.2%	5.5%	-1.8%	-4.5%
Average Daily Rate	-3.5%	-5.9%	-5.0%	-6.2%	1.1%	1.8%	-0.3%	0.8%	-4.1%
Rooms Revenue ($000)	-4.5%	-11.6%	-8.6%	-13.0%	-5.0%	-0.5%	5.2%	-0.9%	-8.4%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-3.9%	-5.6%	-6.7%	-0.9%	-7.0%	-3.6%	-0.5%	-3.6%	-4.7%
Occupied Room Nights	-6.0%	-7.5%	-6.9%	-7.7%	-9.3%	-5.3%	-1.0%	-5.6%	-6.8%
Average Daily Rate	-0.6%	-4.5%	-2.9%	-5.5%	-4.3%	-1.3%	-3.1%	-3.1%	-3.7%
Rooms Revenue ($000)	-6.6%	-11.6%	-9.5%	-12.8%	-13.2%	-6.5%	-4.1%	-8.6%	-10.2%

REVENUE VARIANCE SUMMARY

Montreal Airport/Laval	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$393	-$2,801	-$2,207	-$3,641	-$526	-$114	$291	-$350	-$6,198
2003 Actual versus 2003 PKF Outlook ($000)	-$1,473	-$5,137	-$6,610	-$6,303	-$676	-$53	$470	-$258	-$13,171

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS					
MARKET FACTORS	**%**	**ORN**	**SEGMENTATION**	**%**	**ORN**
National/Provincial Economic Conditions	18%	(157)	Business Travel	40%	(357)
Local/Regional Economic Conditions	36%	(325)	Independent Leisure Travel	7%	(66)
Destination Marketing Promotions/Packages	8%	(79)	Group Leisure	8%	(71)
Increased Supply/Competition	7%	(64)	Meetings/Convention Travel	40%	(352)
Geopolitical Reasons (Iraq War, Residual 9/11)	9%	(83)	Government	3%	(23)
Fear/Impacts Associated with SARS	1%	(5)	Other	2%	(22)
Other Reasons	20%	(178)			
Total	100%	(887)	**Total**	100%	(887)
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	64%	(571)	Air	28%	(247)
US Travel	14%	(127)	Automobile	66%	(583)
Overseas Travel	21%	(188)	Motorcoach	6%	(55)
			Other	0%	(3)
Total	100%	(887)	**Total**	100%	(887)

Montreal Airport/Laval

2004 OUTLOOK

2003 ACTUAL RESULTS

Montreal Airport/Laval	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2004 PKF OUTLOOK AT JANUARY 1, 2004

Montreal Airport/Laval	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Montreal Airport/Laval	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2004 BOOKING PATTERNS

Montreal Airport/Laval	January	February	March	1st Quarter
2003 BOOKINGS	[illegible]	[illegible]	[illegible]	[illegible]
% Of Rooms Sold	[illegible]	[illegible]	[illegible]	[illegible]
2004 BOOKINGS	[illegible]	[illegible]	[illegible]	[illegible]
% Of Rooms Sold	[illegible]	[illegible]	[illegible]	[illegible]
2003/2004 VARIANCE	[illegible]	[illegible]	[illegible]	[illegible]

2004 PKF OUTLOOK versus 2003 ACTUAL

Montreal Airport/Laval	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Montreal Airport/Laval	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Occupied Room Nights	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average Daily Rate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

4.3 GREATER QUEBEC CITY

2003 ANNUAL RESULTS

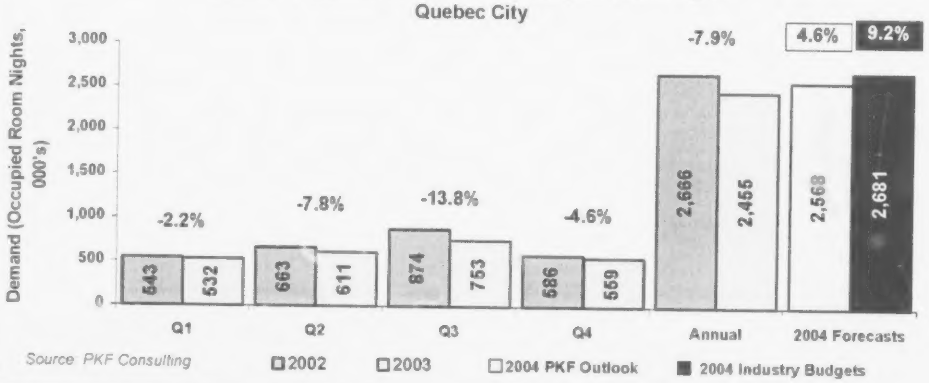
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Quebec City market was 11,203 rooms – with the addition of 63 guest rooms.
- PKF estimates that 61 new guest rooms will be added to Quebec City's accommodation inventory in 2004.

Demand

- During 2003, the Greater Quebec City hotel market achieved 60% occupancy at an average daily rate of $140.
- Demand for hotels rooms in Quebec City **was down by over 212,000 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Greater Quebec City declined in all four quarters of 2003 – (2.2%) in quarter 1, (7.8%) in quarter 2, (13.8%) in quarter 3 and (4.6%) in quarter 4.
- Demand is forecasted by PKF to reach 2,568,000 room nights in 2004, which represents a 4.6% increase in demand compared to 2003.
- The industry has budgeted for 65% occupancy at an average rate of $150 that would result in a 17.0% increase in room revenue compared to 2003 should the industry meet their 2004 budget.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Quebec City



Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to a neutral start with a higher average rate offsetting the decline in demand. The tides abruptly turned with the onset of SARS in the 2nd quarter resulting in a 10.0% decline in room revenue, which led into an even worse decline in the 3rd quarter at 21.1%, before trending up to a 3.1% decline in the 4th quarter.
- Overall, 2003 room revenue declined by $44 Million (11.4%) compared to 2002.
- PKF forecasts that 2004 room revenue in Greater Quebec City will reach $373 Million, an 8.8% improvement over 2003.

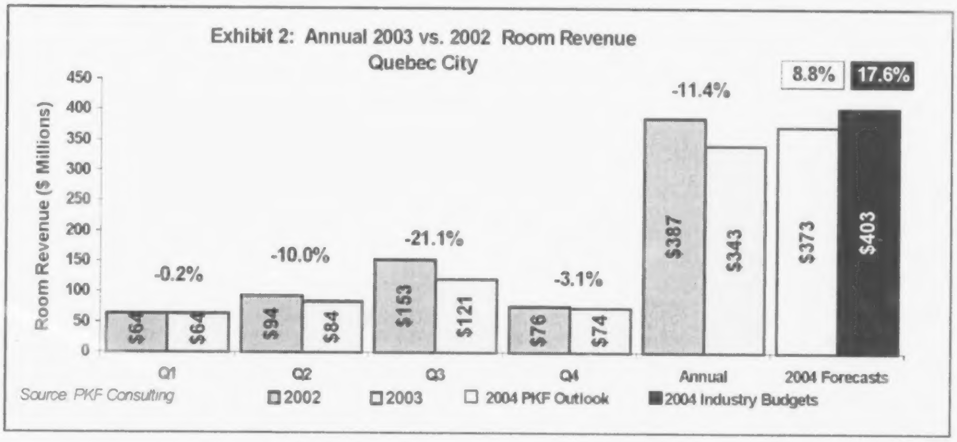


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Quebec City

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st, Greater Montreal hoteliers had pre-booked over 394,000 room nights for the upcoming months of October, November and December – 16% fewer room nights than were pre- booked over the same time frame last year.
- The fill rate for the industry was 11.2% higher for quarter 4 with 60,000 more room nights sold compared to 2002 during the quarter.

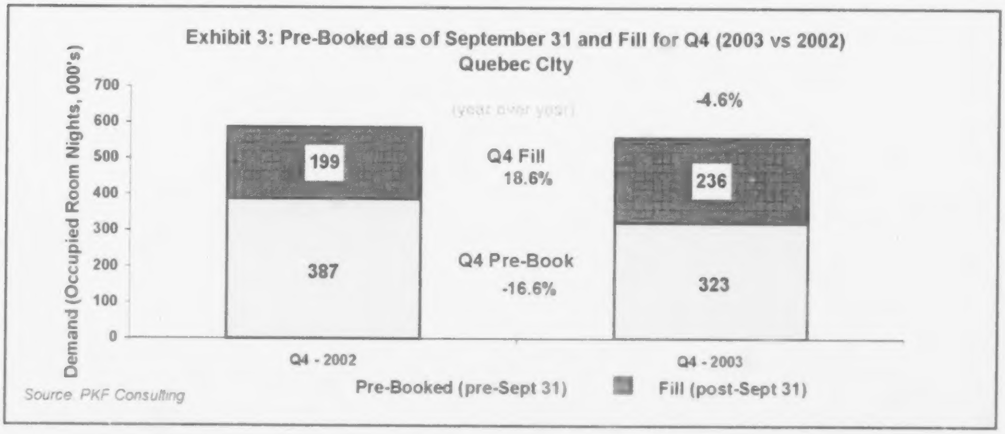


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs 2002)
Quebec City

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Greater Quebec City accommodations experienced a decline in demand during the 4th quarter, with the loss of 27,000 occupied room nights. Quebec City hoteliers reported that other reasons, economic factors and an increase in supply/competition were the main cause of this decline. Operators did note that destination marketing programs assisted in recovering a portion of the lost demand.

- Greater Quebec City hoteliers reported that the majority of lost demand was due to fewer travellers from the United States (50%) and Canada (44%) with Overseas travellers only responsible for 6% of the loss in demand.

- Hotels in the Greater Quebec Area attributed most of their demand erosion to a decline in business travellers (30%) and group leisure travel (27%).

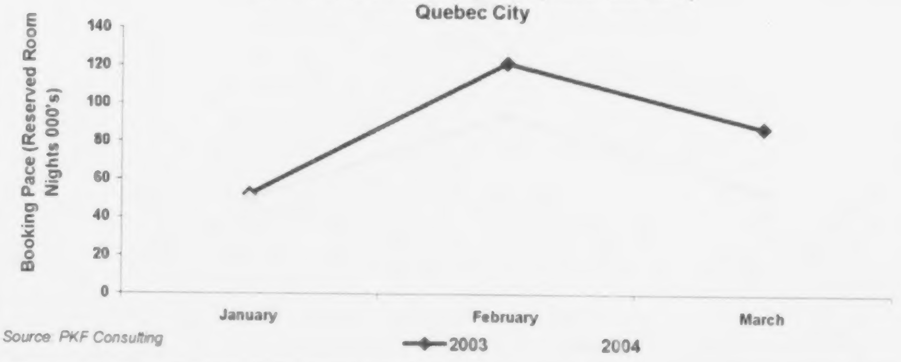
- Greater Quebec City hoteliers attribute a majority of their decline in 4th quarter demand to guest arriving via automobile (66%) with most of the remaining decline split between guests arriving by airplane and motorcoach.

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1, 2004, almost 198,000 room nights or 36% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, **261,000 room nights** of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **63,000 fewer room nights** or a 24.3% decline in pre-booked room nights. Travellers are clearly booking rooms with shorter lead times in the Quebec City market as the year-over-year decline increases the further away from January 1, 2004.

Exhibit 4: Room Booking Pace (Jan to Mar 2004)
Quebec City



Source: PKF Consulting

Quebec City

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,140	11,140	11,140	11,140	11,140	11,140	11,140	11,140	11,140
Available Room Nights	1,002,600	1,013,740	2,016,340	1,024,880	345,340	334,200	345,340	1,024,880	4,066,100
Occupancy	54%	65%	60%	85%	72%	55%	45%	57%	66%
Occupied Room Nights	543,431	662,746	1,206,178	874,050	247,283	184,144	154,850	586,258	2,666,486
Average Daily Rate	$118	$141	$131	$175	$150	$112	$121	$130	$145
Rooms Revenue ($000)	$64,021	$93,577	$157,598	$153,279	$36,996	$20,538	$18,697	$76,230	$387,106

2003 ACTUAL RESULTS

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,140	11,140	11,140	11,264	11,264	11,264	11,264	11,264	11,203
Available Room Nights	1,002,600	1,013,740	2,016,340	1,036,288	349,184	337,920	349,184	1,036,288	4,088,916
Occupancy	53%	60%	57%	73%	65%	52%	45%	54%	60%
Occupied Room Nights	531,612	610,857	1,142,469	753,216	227,319	175,043	156,679	559,040	2,454,725
Average Daily Rate	$120	$138	$130	$161	$148	$123	$119	$132	$140
Rooms Revenue ($000)	$63,896	$84,218	$148,113	$120,991	$33,577	$21,583	$18,690	$73,850	$342,955

BOOKING PATTERNS

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	261,230	394,339	655,568	744,168	214,695	110,457	61,919	387,071	1,786,807
% Of Rooms Sold	48%	60%	54%	85%	87%	60%	40%	66%	67%
2003 BOOKINGS	248,703	395,917	644,620	493,518	183,164	81,009	58,565	322,738	1,460,876
% Of Rooms Sold	47%	65%	56%	66%	81%	48%	37%	58%	60%
2002/2003 VARIANCE	-5%	0%	-2%	-34%	-15%	-27%	-5%	-17%	-18%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	1.1%	1.1%	1.1%	1.1%	1.1%	0.6%
Occupancy Points	-1.2%	-5.1%	-3.2%	-12.6%	-6.5%	-3.3%	0.0%	-3.3%	-5.5%
Occupied Room Nights	-2.2%	-7.8%	-5.3%	-13.8%	-8.1%	-4.9%	1.2%	-4.6%	-7.9%
Average Daily Rate	2.0%	-2.4%	-0.8%	-8.4%	-1.3%	10.6%	-1.2%	1.6%	-3.6%
Rooms Revenue ($000)	-0.2%	-10.0%	-6.0%	-21.1%	-9.2%	5.1%	0.0%	-3.1%	-11.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-2.5%	-6.8%	-4.7%	-13.8%	-6.9%	-0.7%	1.6%	-2.0%	-6.3%
Occupied Room Nights	-4.6%	-10.1%	-7.6%	-15.9%	-9.6%	-1.4%	3.7%	-3.6%	-8.5%
Average Daily Rate	-0.9%	-5.2%	-3.7%	-11.1%	-5.5%	6.7%	-5.6%	-2.9%	-6.9%
Rooms Revenue ($000)	-5.5%	-14.8%	-11.0%	-25.2%	-14.5%	5.3%	-2.1%	-6.3%	-15.7%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.0%	-7.6%	-3.8%	-12.8%	-13.3%	0.0%	-3.5%	-5.7%	-6.6%
Occupied Room Nights	0.0%	-11.2%	-8.3%	-14.9%	-17.0%	0.0%	-7.2%	-9.5%	-9.8%
Average Daily Rate	-1.5%	-4.1%	-3.5%	-8.1%	-4.2%	7.4%	-1.2%	-1.3%	-5.2%
Rooms Revenue ($000)	-1.5%	-14.9%	-9.6%	-21.8%	-20.5%	7.3%	-8.2%	-10.7%	-14.5%

REVENUE VARIANCE SUMMARY

Quebec City	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	-$125	-$9,359	-$9,484	-$32,288	-$3,419	$1,045	-$6	-$2,380	-$44,152
2003 Actual versus 2003 PKF Outlook ($000)	-$3,694	-$14,578	-$18,271	-$40,833	-$5,689	$1,087	-$403	-$5,005	-$64,108

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	17%	(4,565)	Business Travel	30%	(8,286)
Local/Regional Economic Conditions	18%	(5,029)	Independent Leisure Travel	12%	(3,169)
Destination Marketing Promotions/Packages	6%	(1,662)	Group Leisure	27%	(7,478)
Increased Supply/Competition	16%	(4,330)	Meetings/Convention Travel	15%	(4,124)
Geopolitical Reasons (Iraq War, Residual 9/11)	9%	(2,463)	Government	15%	(4,161)
Fear/Impacts Associated with SARS	4%	(1,101)	Other	0%	-
Other Reasons	30%	(8,068)			
Total	100%	(27,218)	**Total**	100%	(27,218)
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	44%	(11,846)	Air	16%	(4,322)
US Travel	50%	(13,629)	Automobile	66%	(17,935)
Overseas Travel	6%	(1,743)	Motorcoach	14%	(3,860)
			Other	4%	(1,101)
Total	100%	(27,218)	**Total**	100%	(27,218)

Quebec City

2004 OUTLOOK

2003 ACTUAL RESULTS

Quebec City	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,140	11,140	11,140	11,140	11,140	11,140	11,264	11,264	11,203
Available Room Nights	345,340	311,920	345,340	1,002,600	1,013,740	2,016,340	1,036,288	1,036,288	4,088,916
Occupancy	41%	68%	51%	53%	60%	57%	73%	54%	60%
Occupied Room Nights	142,625	211,482	177,505	531,612	610,857	1,142,469	753,216	559,040	2,454,725
Average Daily Rate	$115	$133	$109	$120	$138	$130	$161	$132	$140
Rooms Revenue ($000)	$16,336	$28,210	$19,350	$63,896	$84,218	$148,113	$120,991	$73,850	$342,955

2004 PKF OUTLOOK AT JANUARY 1, 2004

Quebec City	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,264	11,264	11,264	11,264	11,264	11,264	11,264	11,264	11,264
Available Room Nights	349,184	315,392	349,184	1,013,760	1,025,024	2,038,784	1,036,288	1,036,288	4,111,360
Occupancy	40%	67%	57%	54%	63%	59%	77%	56%	62%
Occupied Room Nights	139,674	211,313	199,035	550,021	645,427	1,195,448	795,238	576,942	2,567,629
Average Daily Rate	$115	$133	$110	$120	$144	$133	$172	$134	$145
Rooms Revenue ($000)	$16,062	$28,105	$21,894	$66,061	$93,046	$159,107	$136,976	$77,181	$373,264

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Quebec City	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,264	11,264	11,264	11,264	11,264	11,264	11,264	11,264	11,264
Available Room Nights	349,184	315,392	349,184	1,013,760	1,025,024	2,038,784	1,036,288	1,036,288	4,111,360
Occupancy	39%	63%	55%	52%	65%	58%	84%	60%	65%
Occupied Room Nights	136,525	197,255	191,665	525,445	664,449	1,189,894	869,098	621,797	2,680,788
Average Daily Rate	$114	$131	$116	$121	$143	$133	$181	$141	$150
Rooms Revenue ($000)	$15,576	$25,749	$22,246	$63,571	$94,936	$158,507	$157,165	$87,496	$403,168

2004 BOOKING PATTERNS

Quebec City	January	February	March	1st Quarter
2003 BOOKINGS	52,110	121,512	87,608	261,230
% Of Rooms Sold	37%	57%	49%	49%
2004 BOOKINGS	50,021	93,853	53,967	197,841
% Of Rooms Sold	35%	44%	30%	37%
2003/2004 VARIANCE	-4%	-23%	-38%	-21%

2004 PKF OUTLOOK versus 2003 ACTUAL

Quebec City	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	0.0%	0.0%	0.5%
Occupancy Points	-1.3%	-0.8%	5.6%	1.2%	2.7%	2.0%	4.1%	1.7%	2.4%
Occupied Room Nights	-2.1%	-0.1%	12.1%	3.5%	5.7%	4.6%	5.6%	3.2%	4.6%
Average Daily Rate	0.4%	-0.3%	0.9%	-0.1%	4.6%	2.7%	7.2%	1.3%	4.1%
Rooms Revenue ($000)	-1.7%	-0.4%	13.1%	3.4%	10.5%	7.4%	13.2%	4.5%	8.8%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Quebec City	January	February	Marc h	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-2.2%	-5.3%	3.5%	-1.2%	4.6%	1.7%	11.2%	6.1%	5.2%
Occupied Room Nights	-4.3%	-6.7%	8.0%	-1.2%	8.8%	4.2%	15.4%	11.2%	9.2%
Average Daily Rate	-0.4%	-2.1%	6.5%	0.7%	3.6%	2.8%	12.6%	6.5%	7.6%
Rooms Revenue ($000)	-4.7%	-8.7%	15.0%	-0.5%	12.7%	7.0%	29.9%	18.5%	17.6%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

4.4 OTHER QUEBEC MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Quebec's other accommodation markets averaged 27,954 rooms in 2003 – a slight increase over 2002, due to the addition of 28 rooms.

Demand

- Quebec's other hotel markets achieved 55% occupancy at an average daily rate of $115. Occupancy levels were down by 3 percentage points with a $2 increase in rate.
- Demand for Quebec's other hotels was **down approximately 273,000 room nights or 4.6% in 4 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in other Quebec markets rose by 0.9% in quarter 1 before declining by 3.9 %, 8.9% and 4.8% in the last three quarters of 2003 respectively.
- Demand is forecasted by PKF to reach nearly 5,780,000 room nights in 2004, which represents a 3.3% increase in demand over 2003.

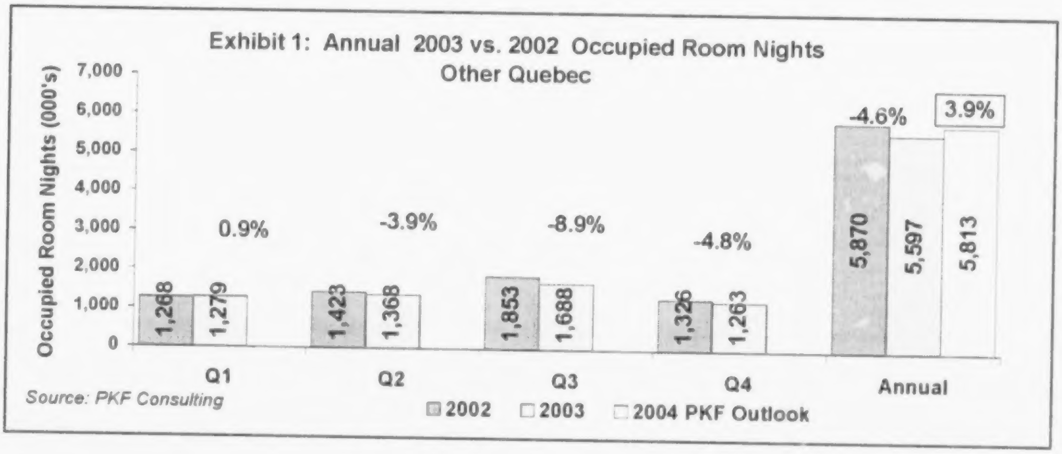


Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Other Quebec

Source: PKF Consulting

Room Revenue

- From a room revenue perspective, other Quebec markets started the year up 3.7% after quarter 1 due to an improvement in average rate. The remaining three quarters of 2003 resulted in year-over-year declines in room revenue – quarter 2 (-1.8%), quarter 3 (-8.1%), and quarter 4 (-4.0%).
- Overall, other Quebec hotel markets lost $21 Million in room revenue in 2003 compared to 2002.
- PKF forecasts that other Quebec hotel markets will reach total room revenues of almost $681 Million in 2004, representing a 6.2% improvement in 2003 revenue.

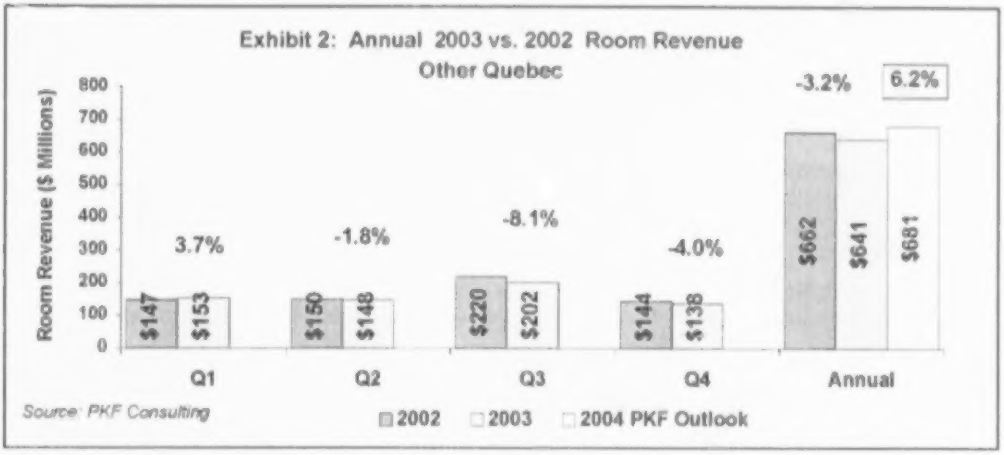


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Other Quebec

Source: PKF Consulting

OTHER QUEBEC 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	27,916	27,916	27,916	27,936	27,936	27,936	27,936	27,936	27,926
Available Room Nights	2,512,440	2,540,356	5,052,796	2,570,112	866,016	838,080	866,016	2,570,112	10,193,020
Occupancy	50%	56%	53%	72%	64%	46%	45%	52%	58%
Occupied Room Nights	1,267,526	1,423,345	2,690,871	1,852,967	551,652	388,869	385,550	1,326,072	5,869,909
Average Daily Rate	$116	$106	$111	$119	$104	$97	$126	$108	$113
Rooms Revenue ($000)	$147,479	$150,491	$297,970	$220,097	$57,631	$37,606	$48,441	$143,878	$661,945

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	27,936	27,946	27,941	27,966	27,966	27,966	27,966	27,966	27,954
Available Room Nights	2,514,240	2,543,076	5,057,316	2,572,872	866,946	838,980	866,946	2,572,872	10,203,060
Occupancy (2% Demand Growth)	51%	106%	79%	73%	65%	47%	46%	53%	71%
Occupied Room Nights	1,292,876	2,684,499	3,977,375	1,880,028	562,685	396,647	393,261	1,352,593	7,210,994
Average Daily Rate (2% Rate Growth)	$119	$107	$110	$121	$107	$99	$128	$111	$113
Rooms Revenue ($000)	$153,438	$286,039	$439,477	$228,989	$59,956	$39,333	$50,398	$149,690	$818,156

2003 ACTUAL RESULTS

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	27,936	27,946	27,941	27,966	27,966	27,966	27,966	27,966	27,954
Available Room Nights	2,514,240	2,543,076	5,057,316	2,572,872	866,946	838,980	866,946	2,572,872	10,203,060
Occupancy	51%	54%	52%	66%	59%	45%	43%	49%	55%
Occupied Room Nights	1,278,575	1,367,770	2,646,345	1,688,036	511,498	380,897	370,186	1,262,581	5,596,962
Average Daily Rate	$120	$108	$114	$120	$106	$99	$124	$109	$115
Rooms Revenue ($000)	$152,937	$147,794	$300,730	$202,302	$54,173	$37,842	$46,044	$138,059	$641,091

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	27,986	27,986	27,986	27,986				27,986	27,986
Available Room Nights	2,516,940	2,544,906	5,061,846	2,572,872				2,572,872	10,207,590
Occupany	51%	55%	53%	71%				51%	57%
Occupied Room Nights	1,279,948	1,399,978	2,679,926	1,827,578				1,305,173	5,812,677
Average Daily Rate	$121	$111	$116	$124				$113	$116
Rooms Revenue ($000)	$155,409	$154,839	$310,248	$226,430				$148,013	$684,691

OTHER QUEBEC 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Occupancy Points	0.4%	-2.2%	-0.9%	-6.5%	-4.7%	-1.0%	-1.8%	-2.5%	-2.7%
Occupied Room Nights	0.9%	-3.9%	-1.7%	-8.9%	-7.3%	-2.1%	-4.0%	-4.8%	-4.6%
Average Daily Rate	2.8%	2.2%	2.6%	0.9%	1.4%	2.2%	-1.0%	0.8%	1.6%
Rooms Revenue ($000)	3.7%	-1.8%	0.9%	-8.1%	-6.0%	0.1%	-4.9%	-4.0%	-3.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.6%	-51.8%	-26.3%	-7.9%	-5.9%	-1.9%	-2.7%	-3.5%	15.9%
Occupied Room Nights	-1.1%	-49.0%	-33.5%	-10.7%	-9.1%	-4.0%	-5.9%	-6.7%	22.5%
Average Daily Rate	0.8%	1.4%	2.8%	-1.1%	-0.8%	0.2%	-2.9%	-1.2%	1.1%
Rooms Revenue ($000)	-0.3%	-48.3%	-31.6%	-11.7%	-9.7%	-3.8%	-8.6%	-7.8%	-21.6%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Quebec	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.1%	0.1%	0.1%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	1.2%	0.6%	5.4%				1.7%	2.1%
Occupied Room Nights	0.1%	2.4%	1.3%	8.3%				3.4%	3.9%
Average Daily Rate	1.5%	2.4%	1.9%	3.4%				3.7%	2.8%
Rooms Revenue ($000)	1.6%	4.8%	3.2%	11.9%				7.2%	6.8%
Variance to 2003 PKF Forecast ($000)	-$501	-$138,246	-$138,746	-$26,686	-$5,787	-$1,491	-$4,354	-$11,632	-$177,064
Variance to 2002 Actuals ($000)	$5,457	-$2,697	$2,760	-$17,795	-$3,458	$36	-$2,397	-$5,819	-$20,854

5.0 ONTARIO PROVINCIAL/MARKET PERFORMANCE

5.1 PROVINCE OF ONTARIO

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Ontario's accommodation market averaged 107,282 rooms in 2003 – a 1.2% increase over 2002.

- PKF estimates that room supply will increase by 1.7% in 2004 with the addition of 1,846 rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Greater Toronto Area	64%	$131	57%	$119	-9%	-9%	63%	$128
Ottawa	65%	$125	62%	$125	-1%	0%	63%	$126
Windsor	63%	$106	58%	$103	-6%	-3%	61%	$106
Ontario Resorts	50%	$172	46%	$169	-4%	-2%	50%	$174
Southern Ontario	58%	$106	54%	$102	-4%	-4%	56%	$106
Eastern Ontario	58%	$92	55%	$93	-5%	2%	57%	$96
Northern Ontario	63%	$84	61%	$84	-2%	0%	63%	$87
Total Ontario	**62%**	**$119**	**57%**	**$112**	**-6%**	**-6%**	**60%**	**$116**

Source: PKF Consulting

- Ontario's hotel market achieved 57% occupancy at an average daily rate of $112 in 2003. Occupancy levels were down by 5 percentage points, with the average daily rate down by $7 from 2002.

- Demand for Ontario's hotels was **down approximately 1,496,000 room nights or 6.3% in 2003**, compared to 2002.

- On a quarter-by-quarter basis, Ontario headed into 2003 with year-over-year demand growth of 4.2% in quarter 1. The next three quarters all reported significant declines in demand - quarter 2 (-16.6%), and quarter 3 (-9.4%). Quarter 4 at -0.1% had almost recovered to 2002 levels.

- Demand is forecasted by PKF to reach 23,990,000 room nights in 2004, a 7.4% increase from 2003, but only 0.68% over 2002.

5.0 ONTARIO PROVINCIAL/MARKET PERFORMANCE

5.1 PROVINCE OF ONTARIO

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Ontario's accommodation market averaged 107,282 rooms in 2003 – a 1.2% increase over 2002.
- PKF estimates that room supply will increase by 1.7% in 2004 with the addition of 1,846 rooms.

Provincial Demand

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Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Greater Toronto Area	64%	$131	57%	$119	-9%	-9%	63%	$128
Ottawa	65%	$125	62%	$125	-1%	0%	63%	$126
Windsor	63%	$106	58%	$103	-6%	-3%	61%	$106
Ontario Resorts	50%	$172	46%	$169	-4%	-2%	50%	$174
Southern Ontario	58%	$106	54%	$102	-4%	-4%	56%	$106
Eastern Ontario	58%	$92	55%	$93	-5%	2%	57%	$96
Northern Ontario	63%	$84	61%	$84	-2%	0%	63%	$87
Total Ontario	**62%**	**$119**	**57%**	**$112**	**-6%**	**-6%**	**60%**	**$116**

Source: PKF Consulting

- Ontario's hotel market achieved 57% occupancy at an average daily rate of $112 in 2003. Occupancy levels were down by 5 percentage points, with the average daily rate down by $7 from 2002.
- Demand for Ontario's hotels was **down approximately 1,496,000 room nights or 6.3% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, Ontario headed into 2003 with year-over-year demand growth of 4.2% in quarter 1. The next three quarters all reported significant declines in demand - quarter 2 (-16.6%), and quarter 3 (-9.4%). Quarter 4 at -0.1% had almost recovered to 2002 levels.
- Demand is forecasted by PKF to reach 23,990,000 room nights in 2004, a 7.4% increase from 2003, but only 0.68% over 2002.

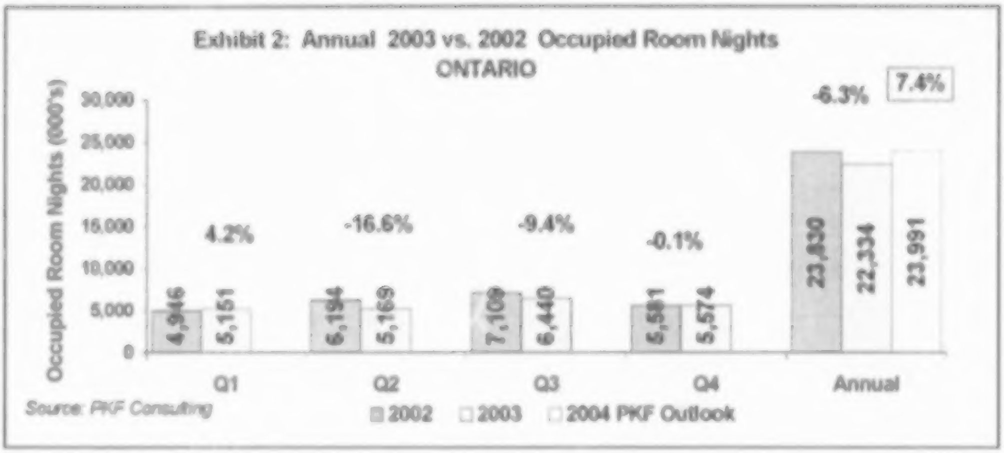


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights ONTARIO

Source: PKF Consulting

Room Revenue

- Room revenue was 4.5% higher in the 1st quarter of 2003 before declining by 24.6%, 17.3% and 3.3% in last three quarters of 2003, respectively.
- Overall, 2003 room revenue declined by $335 Million (11.9%) compared to 2002 due to the erosion of demand and rate.
- PKF forecasts that 2004 room revenue in Ontario will reach $2.77 Billion, an 11.3% improvement over 2003, but still 1.9% below 2002 levels.

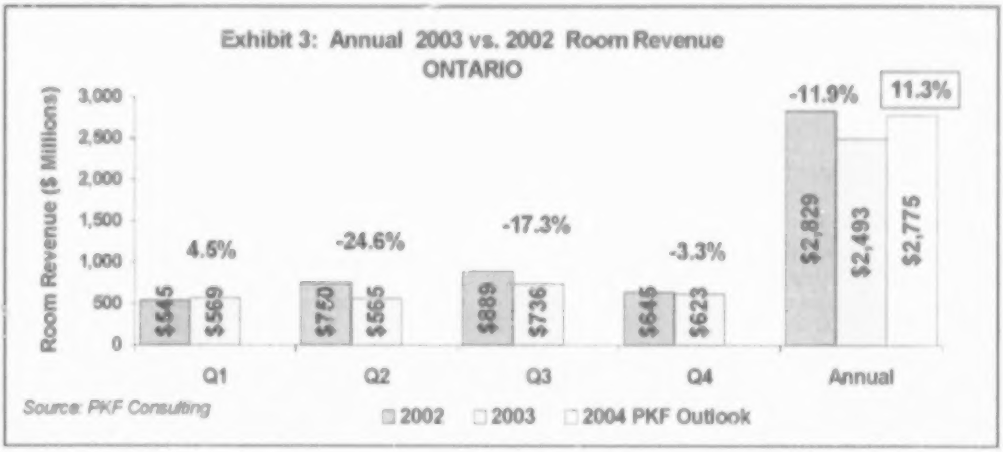


Exhibit 3: Annual 2003 vs. 2002 Room Revenue ONTARIO

Source: PKF Consulting

ONTARIO 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	105,014	105,361	105,188	106,592	107,192	106,944	107,058	107,080	106,015
Available Room Nights	9,451,260	9,587,851	19,039,111	9,806,437	3,322,952	3,208,320	3,318,798	9,850,070	38,695,618
Occupancy	52%	65%	58%	72%	67%	60%	43%	57%	62%
Occupied Room Nights	4,945,949	6,183,751	11,129,700	7,108,561	2,229,701	1,934,817	1,417,127	5,581,644	23,829,705
Average Daily Rate	$110	$121	$116	$125	$121	$115	$108	$115	$119
Rooms Revenue ($000)	$544,549	$750,345	$1,294,894	$889,453	$268,701	$223,274	$152,525	$644,501	$2,828,845

2003 PKF OUTLOOK AT JANUARY 1, 2003

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	106,817	107,171	106,995	107,888	107,224	107,224	107,278	107,242	107,282
Available Room Nights	9,613,530	9,752,561	19,366,091	9,925,696	3,323,944	3,216,720	3,325,618	9,866,282	39,158,069
Occupancy (2% Demand Growth)	52%	65%	59%	73%	68%	61%	43%	58%	62%
Occupied Room Nights	5,044,656	6,317,828	11,362,484	7,250,732	2,274,286	1,973,309	1,445,478	5,693,073	24,306,289
Average Daily Rate (2% Rate Growth)	$112	$126	$119	$128	$123	$118	$110	$118	$121
Rooms Revenue ($000)	$566,549	$780,656	$1,347,205	$925,397	$279,957	$232,284	$158,298	$670,539	$2,943,131

2003 ACTUAL RESULTS

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	106,817	107,171	106,995	107,888	107,224	107,224	107,278	107,242	107,282
Available Room Nights	9,613,530	9,752,561	19,366,091	9,925,696	3,323,944	3,216,720	3,325,618	9,866,282	39,158,069
Occupancy	54%	53%	53%	65%	66%	60%	44%	56%	57%
Occupied Room Nights	5,151,286	5,168,569	10,319,855	6,440,342	2,203,775	1,913,948	1,455,956	5,573,679	22,333,876
Average Daily Rate	$110	$108	$110	$114	$115	$111	$107	$112	$112
Rooms Revenue ($000)	$569,128	$565,472	$1,134,600	$735,856	$254,250	$213,150	$155,598	$623,004	$2,493,461

2004 PKF OUTLOOK AT JANUARY 1, 2004

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	108,114	109,188	108,654	108,546				109,644	109,128
Available Room Nights	9,730,264	9,936,115	19,666,379	10,078,232				10,087,266	39,831,877
Occupany	54%	63%	58%	69%				55%	60%
Occupied Room Nights	5,214,020	6,225,638	11,439,658	6,956,171				5,594,936	23,990,763
Average Daily Rate	$107	$118	$113	$122				$113	$116
Rooms Revenue ($000)	$557,991	$733,791	$1,291,782	$850,962				$631,861	$2,774,605

ONTARIO 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.7%	1.7%	1.7%	1.2%	0.0%	0.3%	0.2%	0.2%	1.2%
Occupancy Points	1.3%	-11.9%	-5.2%	-7.0%	-0.8%	-0.8%	1.1%	-0.2%	-4.5%
Occupied Room Nights	4.2%	-16.4%	-7.4%	-9.4%	-1.2%	-1.1%	2.7%	-0.1%	-6.3%
Average Daily Rate	0.3%	-9.7%	-5.4%	-8.7%	-4.3%	-3.5%	-0.7%	-3.2%	-6.0%
Rooms Revenue ($000)	4.5%	-24.6%	-12.4%	-17.3%	-5.4%	-4.5%	2.0%	-3.3%	-11.9%

2003 ACTUAL TO 2003 PKF OUTLOOK

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.1%	-11.8%	-5.4%	-8.2%	-2.1%	-1.8%	0.3%	-1.2%	-5.0%
Occupied Room Nights	2.1%	-18.2%	-9.2%	-11.2%	-3.1%	-3.0%	0.7%	-2.1%	-8.1%
Average Daily Rate	-1.8%	-11.5%	-7.3%	-10.5%	-6.1%	-5.4%	-2.7%	-5.1%	-7.8%
Rooms Revenue ($000)	0.5%	-27.6%	-15.8%	-20.5%	-9.1%	-8.2%	-1.9%	-7.1%	-15.3%

2003 ACTUAL TO 2004 PKF OUTLOOK

ONTARIO	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1.2%	1.9%	1.6%	1.5%				2.2%	1.7%
Occupancy Points	0.0%	9.7%	4.9%	4.1%				-1.0%	3.2%
Occupied Room Nights	1.2%	20.5%	10.9%	8.0%				0.4%	7.4%
Average Daily Rate	-3.1%	7.7%	2.7%	7.1%				1.0%	3.6%
Rooms Revenue ($000)	-2.0%	29.8%	13.9%	15.6%				1.4%	11.3%
Variance to 2003 PKF Forecast ($000)	*$2,582*	*-$215,187*	*-$212,605*	*-$189,529*	*-$25,707*	*-$19,134*	*-$3,099*	*-$47,535*	*-$449,669*
Variance to 2002 Actuals ($000)	*$24,582*	*-$184,873*	*-$160,292*	*-$153,595*	*-$14,452*	*-$10,118*	*$3,073*	*-$21,497*	*-$335,384*

5.2 GREATER TORONTO AREA

2003 ANNUAL RESULTS

Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Greater Toronto market was 36,884 rooms – with the net addition of 406 rooms in 2003.
- PKF estimates that a net of 250 new guest rooms will be added to Greater Toronto's accommodation inventory in 2004 resulting in a 0.7% supply growth.

Demand

- During 2003, the Greater Toronto hotel market achieved 57% occupancy at an average daily rate of $119.
- Demand for hotels rooms in Greater Toronto **was down by 789,800 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Greater Toronto's room nights was 4.8% higher in quarter 1 before SARS struck the city. The middle half of 2003 saw demand plummet by 26.6% in quarter 2 and 11.4% in quarter 3. Demand has nearly recovered to 2003 levels with quarter 4 demand only off by 0.1%.
- Demand is forecasted by PKF to reach 8,547,000 room nights in 2004, which represents a 10.5% improvement in demand compared to 2003, but with demand recovering to 2002 levels.

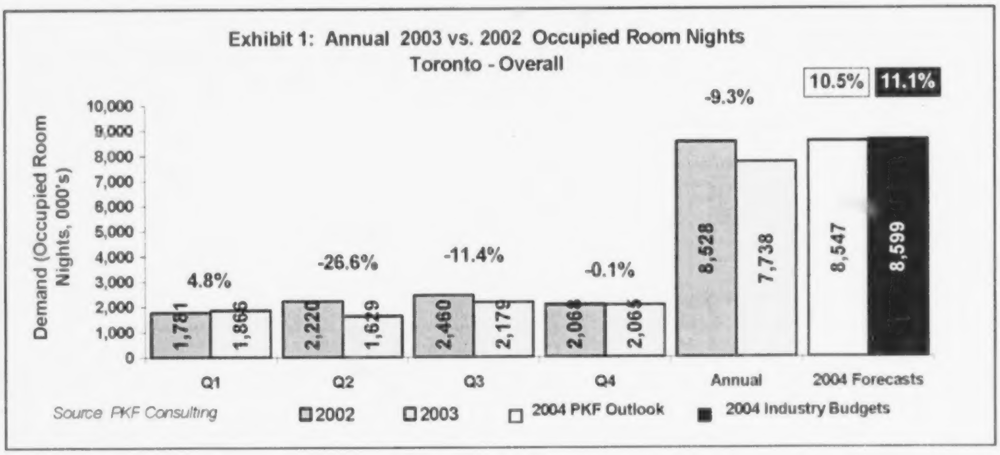


Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Toronto - Overall

Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to a good start for Greater Toronto's hotel operators with quarter 1 room revenue improving by 3.0% thereafter deteriorating by 36.8% in quarter 2, 22.6% in quarter 3 and 5.7% in quarter 4.
- Overall, 2003 room revenue declined by $195 Million (17.5%) compared to 2002 due to a decline in demand and erosion of average rate.

- PKF forecasts that 2004 room revenue in Greater Toronto will reach $1,090 Million, an 18.6% improvement over 2003, but still 2.2% below 2002 levels.
- The industry in the Greater Toronto market has budgeted for 63% occupancy at an average rate of $124 equating to a 16.4% increase in room revenue compared to 2003.

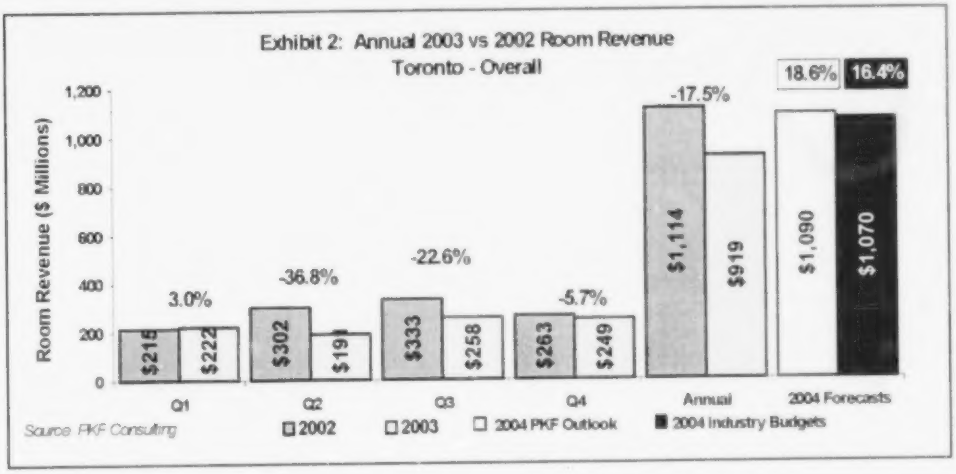


Exhibit 2: Annual 2003 vs 2002 Room Revenue
Toronto - Overall

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Greater Toronto hoteliers had pre-booked over 702,000 room nights for the upcoming months of October, November and December – approximately 31,000 fewer bookings then pre-booked for quarter 4 2002.
- The fill rate for the industry was 2.1% higher for quarter 4, 2003 with 28,000 additional room nights sold compared to 2002 during the quarter.

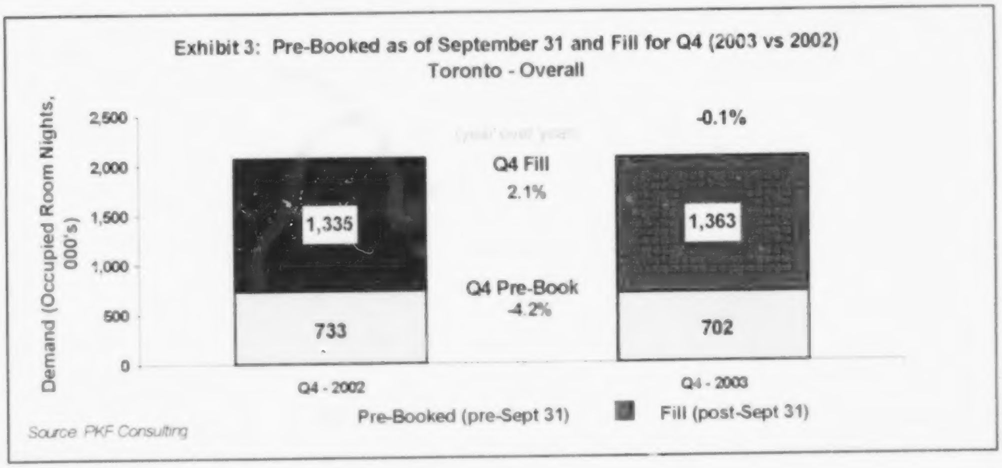


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs 2002)
Toronto - Overall

Source: PKF Consulting

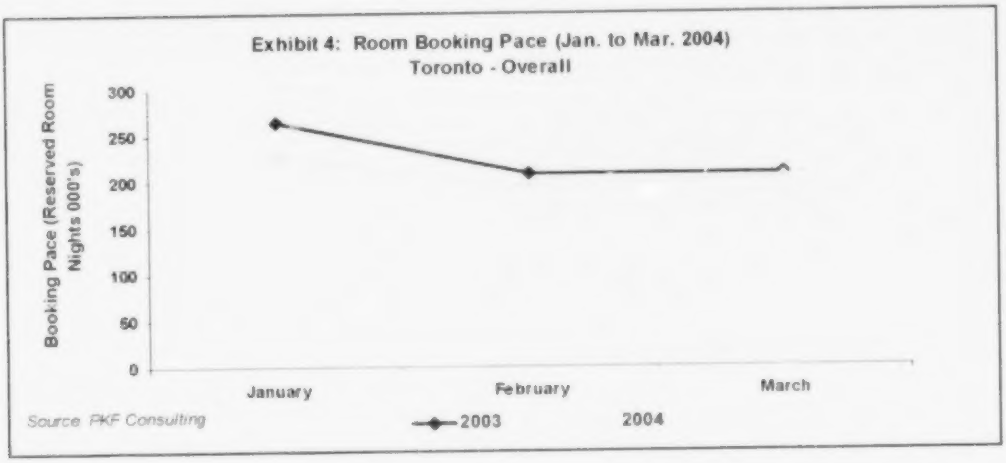
Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Greater Toronto accommodation operators experienced a moderate decline in demand during the 4th quarter of 2003. Refer to the quarter 4 market factor outputs by sub-market for insight into allocation of this decline.
- Greater Toronto hoteliers reported that the majority of decline demand was due to United States travellers (43%) with most of the remaining attributable to domestic (42%).
- Hotels in Greater Toronto attribute a majority of the decline in 4th quarter demand to guest arriving via automobile (57%) and airplane (27%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 614,500 room nights or 37% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 681,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **66,500 fewer room nights** or a 10% decline in pre-booked room nights.



Source: PKF Consulting

Toronto - Overall

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	35,976	36,121	36,049	36,642	37,156	37,156	37,156	37,156	36,479
Available Room Nights	3,237,840	3,287,011	6,524,851	3,371,090	1,151,836	1,114,680	1,151,836	3,418,352	13,314,293
Occupancy	55%	68%	61%	73%	69%	67%	46%	60%	64%
Occupied Room Nights	1,781,136	2,219,626	4,000,762	2,459,853	796,545	746,511	524,528	2,067,584	8,528,199
Average Daily Rate	$121	$136	$129	$135	$135	$129	$115	$127	$131
Rooms Revenue ($000)	$215,275	$302,411	$517,687	$333,231	$107,288	$96,028	$60,178	$263,493	$1,114,411

2003 ACTUAL RESULTS

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	36,992	37,060	37,026	37,146	36,340	36,340	36,340	36,340	36,894
Available Room Nights	3,329,315	3,372,460	6,701,775	3,417,432	1,126,540	1,090,200	1,126,540	3,343,280	13,462,487
Occupancy	56%	48%	52%	64%	70%	67%	49%	62%	57%
Occupied Room Nights	1,866,124	1,628,609	3,494,733	2,178,519	786,590	731,051	548,484	2,066,125	7,739,377
Average Daily Rate	$119	$117	$118	$118	$125	$121	$113	$120	$119
Rooms Revenue ($000)	$221,744	$191,001	$412,745	$257,774	$97,851	$88,708	$61,983	$248,541	$919,060

BOOKING PATTERNS

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	643,580	960,937	1,604,516	1,024,286	385,714	264,638	99,294	732,702	3,344,683
% Of Rooms Sold	36%	44%	40%	42%	48%	35%	19%	35%	39%
2003 BOOKINGS	610,345	587,451	1,197,795	574,246	369,165	228,717	97,752	701,726	2,473,766
% Of Rooms Sold	33%	36%	34%	26%	47%	31%	18%	34%	32%
2002/2003 VARIANCE	-5%	-39%	-25%	-44%	-4%	-14%	-2%	-4%	-26%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2.8%	2.6%	2.7%	1.4%	-2.2%	-2.2%	-2.2%	-2.2%	1.1%
Occupancy Points	1.0%	-19.2%	-9.2%	-9.2%	0.6%	0.1%	3.1%	1.3%	-6.6%
Occupied Room Nights	4.8%	-26.6%	-12.6%	-11.4%	-1.4%	-2.1%	4.6%	-0.1%	-9.3%
Average Daily Rate	-1.7%	-13.9%	-8.7%	-12.7%	-7.5%	-5.7%	-1.5%	-5.6%	-9.1%
Rooms Revenue ($000)	3.0%	-36.8%	-20.3%	-22.6%	-8.8%	-7.6%	3.0%	-5.7%	-17.5%

2003 ACTUAL TO 2003 PKF OUTLOOK

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.5%	-18.3%	-8.5%	-8.7%	0.2%	-0.3%	3.3%	1.1%	-6.1%
Occupied Room Nights	2.7%	-27.5%	-14.0%	-12.0%	-2.0%	-2.6%	4.9%	-0.5%	-10.1%
Average Daily Rate	-3.4%	-15.4%	-10.3%	-14.0%	-9.0%	-7.2%	-3.3%	-7.2%	-10.6%
Rooms Revenue ($000)	-0.8%	-38.6%	-22.8%	-24.3%	-10.8%	-9.6%	1.4%	-7.6%	-19.7%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.1%	-21.6%	-11.4%	-11.6%	-2.8%	-1.4%	0.9%	-1.1%	-8.9%
Occupied Room Nights	-1.9%	-30.9%	-17.9%	-15.4%	-6.0%	-4.2%	-0.4%	-3.9%	-13.9%
Average Daily Rate	-2.8%	-14.8%	-9.7%	-15.6%	-10.6%	-7.1%	-5.9%	-8.4%	-11.1%
Rooms Revenue ($000)	-4.6%	-41.1%	-25.9%	-28.6%	-16.0%	-11.0%	-6.3%	-11.9%	-23.4%

REVENUE VARIANCE SUMMARY

Toronto - Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$6,469	-$111,410	-$104,942	-$75,457	-$9,437	-$7,320	$1,805	-$14,952	-$195,351
2003 Actual versus 2003 PKF Outlook ($000)	-$1,711	-$120,225	-$121,935	-$82,992	-$11,825	-$9,440	$848	-$20,418	-$225,245

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS					
MARKET FACTORS	**%**	**ORN**	**SEGMENTATION**	**%**	**ORN**
National/Provincial Economic Conditions	1044%	(5,858)	Business Travel	-1179%	6,610
Local/Regional Economic Conditions	-483%	2,712	Independent Leisure Travel	-449%	2,520
Destination Marketing Promotions/Packages	144%	(808)	Group Leisure	430%	(2,412)
Increased Supply/Competition	-3345%	18,759	Meetings/Convention Travel	856%	(4,803)
Geopolitical Reasons (Iraq War, Residual 9/11)	589%	(3,305)	Government	-156%	876
Fear/Impacts Associated with SARS	721%	(4,044)	Other	598%	(3,352)
Other Reasons	1429%	(8,016)			
Total	**100%**	**(561)**	**Total**	**100%**	**(561)**
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	262%	(1,470)	Air	-913%	5,120
US Travel	-6%	35	Automobile	649%	(3,640)
Overseas Travel	-156%	874	Motorcoach	341%	(1,911)
			Other	23%	(130)
Total	**100%**	**(561)**	**Total**	**100%**	**(561)**

Toronto - Overall

2004 OUTLOOK

2003 ACTUAL RESULTS

Toronto - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	36,970	36,970	37,035	36,992	37,060	37,026	37,148	36,340	36,884
Available Room Nights	1,146,070	1,035,160	1,148,085	3,329,315	3,372,480	6,701,775	3,417,432	3,343,280	13,462,487
Occupancy	54%	59%	58%	56%	48%	52%	64%	62%	57%
Occupied Room Nights	613,968	607,291	644,865	1,866,124	1,627,393	3,493,517	2,178,510	2,065,125	7,737,162
Average Daily Rate	$117	$119	$120	$119	$117	$118	$118	$120	$119
Rooms Revenue ($000)	$72,023	$72,159	$77,562	$221,744	$191,001	$412,745	$257,774	$248,541	$919,060

2004 PKF OUTLOOK AT JANUARY 1, 2004

Toronto - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	36,340	36,509	36,918	36,592	37,078	36,836	37,267	37,587	37,134
Available Room Nights	1,126,540	1,022,252	1,144,458	3,293,250	3,374,078	6,667,328	3,428,564	3,458,004	13,553,896
Occupancy	53%	59%	58%	56%	64%	60%	71%	61%	63%
Occupied Room Nights	596,080	600,501	663,456	1,860,037	2,142,907	4,002,944	2,427,388	2,117,171	8,547,483
Average Daily Rate	$118	$121	$122	$120	$128	$125	$135	$125	$128
Rooms Revenue ($000)	$70,277	$72,886	$80,881	$224,045	$274,328	$498,373	$327,292	$264,590	$1,090,255

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Toronto - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	36,340	36,509	36,918	36,592	37,078	36,836	37,267	37,587	37,134
Available Room Nights	1,126,540	1,022,252	1,144,458	3,293,250	3,374,078	6,667,328	3,428,564	3,458,004	13,553,896
Occupancy	54%	60%	58%	57%	66%	61%	72%	59%	63%
Occupied Room Nights	612,434	610,882	658,745	1,882,061	2,215,179	4,097,240	2,471,501	2,030,111	8,598,852
Average Daily Rate	$115	$119	$119	$118	$125	$122	$127	$127	$124
Rooms Revenue ($000)	$70,240	$72,700	$78,505	$221,445	$277,486	$498,931	$314,058	$257,076	$1,070,065

2004 BOOKING PATTERNS

Toronto - Overall	January	February	March	1st Quarter
2003 BOOKINGS	264,129	208,314	208,589	681,032
% Of Rooms Sold	43%	34%	32%	36%
2004 BOOKINGS	225,825	193,800	203,192	614,532
% Of Rooms Sold	51%	35%	30%	37%
2003/2004 VARIANCE	-15%	-7%	-3%	-10%

2004 PKF OUTLOOK versus 2003 ACTUAL

Toronto - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	-1.7%	-1.2%	-0.3%	-1.1%	0.0%	-0.5%	0.3%	3.4%	0.7%
Occupancy Points	-0.7%	0.1%	1.8%	0.4%	15.3%	7.9%	7.1%	-0.5%	5.6%
Occupied Room Nights	-2.9%	-1.1%	2.9%	-0.3%	31.7%	14.6%	11.4%	2.5%	10.5%
Average Daily Rate	0.5%	2.2%	1.4%	1.4%	9.1%	5.4%	14.0%	3.8%	7.4%
Rooms Revenue ($000)	-2.4%	1.0%	4.3%	1.0%	43.6%	20.7%	27.0%	6.5%	18.6%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Toronto - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	0.8%	1.1%	1.4%	1.1%	17.4%	9.3%	8.3%	-3.1%	6.0%
Occupied Room Nights	-0.2%	0.6%	2.2%	0.9%	36.1%	17.3%	13.4%	-1.7%	11.1%
Average Daily Rate	-2.2%	0.2%	-0.9%	-1.0%	6.7%	3.1%	7.4%	5.2%	4.8%
Rooms Revenue ($000)	-2.5%	0.7%	1.2%	-0.1%	45.3%	20.9%	21.8%	3.4%	16.4%

Q1'04 CANCELLATIONS	**%**	**ORN**	**Potential**
Geopolitical Reasons	0%	28	$ 3,300
SARS Fallout	1%	83	$ 9,898
Other Reasons	99%	14,037	$ 1,667,975
Total	**100%**	**14,148**	**$ 1,681,173**
% Of 2003 Total	2%		

Toronto Downtown

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	15,172	15,172	15,172	15,172	15,172	15,172	15,172	15,172	15,172
Available Room Nights	1,365,480	1,380,652	2,746,132	1,395,824	470,332	455,160	470,332	1,395,824	5,537,780
Occupancy	55%	72%	64%	77%	76%	78%	45%	66%	68%
Occupied Room Nights	751,970	997,341	1,749,310	1,080,979	359,334	354,114	211,228	922,776	3,753,066
Average Daily Rate	$140	$173	$159	$173	$168	$153	$134	$154	$162
Rooms Revenue ($000)	$105,086	$172,652	$277,737	$186,655	$60,497	$54,342	$28,266	$142,048	$606,440

2003 ACTUAL RESULTS

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	15,172	15,197	15,185	14,972	14,725	14,725	14,725	14,725	15,015
Available Room Nights	1,365,480	1,382,927	2,748,407	1,377,424	456,475	441,750	456,475	1,354,700	5,480,531
Occupancy	56%	47%	52%	66%	74%	75%	50%	66%	59%
Occupied Room Nights	769,220	647,332	1,416,552	910,882	338,704	331,313	226,229	896,246	3,223,680
Average Daily Rate	$137	$140	$138	$143	$149	$142	$129	$141	$140
Rooms Revenue ($000)	$105,432	$90,434	$195,866	$130,229	$50,467	$46,970	$29,070	$126,506	$452,603

BOOKING PATTERNS

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	344,212	594,631	938,844	582,483	214,903	167,348	46,357	428,608	1,949,934
% Of Rooms Sold	46%	60%	54%	54%	60%	47%	22%	46%	52%
2003 BOOKINGS	305,171	341,670	646,847	315,710	173,661	134,432	44,227	356,631	1,319,188
% Of Rooms Sold	40%	53%	46%	35%	51%	41%	20%	40%	41%
2002/2003 VARIANCE	-11%	-43%	-31%	-46%	-19%	-20%	-5%	-17%	-32%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.2%	0.1%	-1.3%	-2.9%	-2.9%	-2.9%	-2.9%	-1.0%
Occupancy Points	1.3%	-25.4%	-12.2%	-11.4%	-2.2%	-2.8%	4.7%	0.0%	-9.0%
Occupied Room Nights	2.3%	-35.1%	-19.0%	-15.7%	-5.7%	-6.4%	7.1%	-2.9%	-14.1%
Average Daily Rate	-1.9%	-19.1%	-12.9%	-17.2%	-11.5%	-7.6%	-4.0%	-8.3%	-13.1%
Rooms Revenue ($000)	0.3%	-47.6%	-29.5%	-30.2%	-16.6%	-13.6%	2.8%	-10.9%	-25.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.3%	-25.4%	-12.1%	-11.4%	-2.2%	-2.8%	4.9%	0.0%	-8.9%
Occupied Room Nights	2.3%	-35.1%	-19.0%	-14.6%	-4.5%	-5.2%	9.0%	-1.7%	-13.5%
Average Daily Rate	-3.8%	-20.7%	-14.6%	-18.8%	-13.2%	-9.4%	-5.4%	-10.5%	-14.9%
Rooms Revenue ($000)	-1.6%	-48.7%	-30.9%	-30.7%	-17.1%	-14.1%	3.1%	-12.0%	-26.4%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-3.2%	-30.0%	-16.7%	-16.8%	-6.8%	-2.2%	3.2%	-1.9%	-13.0%
Occupied Room Nights	-5.4%	-39.1%	-24.5%	-20.1%	-9.9%	-4.4%	5.1%	-4.5%	-18.5%
Average Daily Rate	-1.2%	-19.0%	-12.6%	-17.4%	-12.7%	-5.8%	-6.3%	-9.3%	-13.3%
Rooms Revenue ($000)	-6.6%	-50.8%	-34.0%	-34.0%	-21.4%	-10.0%	-1.6%	-13.3%	-29.3%

REVENUE VARIANCE SUMMARY

Toronto Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$347	-$82,218	-$81,871	-$56,425	-$10,030	-$7,372	$804	-$15,540	-$153,837
2003 Actual versus 2003 PKF Outlook ($000)	-$1,755	-$85,698	-$87,453	-$57,649	-$10,427	-$7,728	$875	-$17,281	-$162,383

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS					
MARKET FACTORS	**%**	**ORN**	**SEGMENTATION**	**%**	**ORN**
National/Provincial Economic Conditions	22%	(5,709)	Business Travel	38%	(10,135)
Local/Regional Economic Conditions	9%	(2,258)	Independent Leisure Travel	16%	(4,300)
Destination Marketing Promotions/Packages	2%	(661)	Group Leisure	14%	(3,673)
Increased Supply/Competition	5%	(1,234)	Meetings/Convention Travel	25%	(6,549)
Geopolitical Reasons (Iraq War, Residual 9/11)	15%	(3,882)	Government	1%	(193)
Fear/Impacts Associated with SARS	20%	(5,184)	Other	6%	(1,680)
Other Reasons	29%	(7,591)			
Total	100%	(26,530)	**Total**	100%	(26,530)
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	44%	(11,741)	Air	41%	(10,853)
US Travel	48%	(12,780)	Automobile	51%	(13,549)
Overseas Travel	8%	(2,009)	Motorcoach	8%	(1,998)
			Other	0%	(130)
Total	100%	(26,530)	**Total**	100%	(26,530)

Toronto Downtown

2004 OUTLOOK

2003 ACTUAL RESULTS

Toronto Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	15,172	15,172	15,172	15,172	15,197	15,185	14,972	14,725	15,015
Available Room Nights	470,332	424,816	470,332	1,365,480	1,382,927	2,748,407	1,377,424	1,354,700	5,480,531
Occupancy	51%	58%	60%	56%	47%	52%	66%	66%	59%
Occupied Room Nights	241,280	248,093	279,848	769,220	647,332	1,416,552	910,892	898,246	3,223,680
Average Daily Rate	$135	$136	$140	$137	$140	$138	$143	$141	$140
Rooms Revenue ($000)	$32,525	$33,721	$39,187	$105,432	$90,434	$195,866	$130,229	$126,508	$452,603

2004 PKF OUTLOOK AT JANUARY 1, 2004

Toronto Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	14,725	14,725	14,725	14,725	14,885	14,805	14,972	14,972	14,889
Available Room Nights	456,475	412,300	456,475	1,325,250	1,354,515	2,679,765	1,377,424	1,377,424	5,434,613
Occupancy	50%	60%	60%	57%	68%	63%	75%	65%	66%
Occupied Room Nights	229,238	247,380	273,885	749,503	926,073	1,675,576	1,033,068	893,828	3,602,472
Average Daily Rate	$135	$140	$144	$140	$155	$148	$170	$149	$155
Rooms Revenue ($000)	$30,812	$34,633	$39,439	$104,885	$143,541	$248,426	$175,622	$133,378	$557,426

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Toronto Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	14,725	14,725	14,725	14,725	14,885	14,805	14,972	14,972	14,889
Available Room Nights	456,475	412,300	456,475	1,325,250	1,354,515	2,679,765	1,377,424	1,377,424	5,434,613
Occupancy	52%	61%	63%	58%	68%	63%	73%	62%	66%
Occupied Room Nights	235,406	250,504	287,806	773,717	926,036	1,699,753	1,011,398	855,381	3,566,532
Average Daily Rate	$129	$135	$135	$133	$154	$144	$158	$152	$150
Rooms Revenue ($000)	$30,337	$33,739	$38,969	$103,045	$142,400	$245,445	$160,183	$130,075	$535,703

2004 BOOKING PATTERNS

Toronto Downtown	January	February	March	1st Quarter
2003 BOOKINGS	125,184	107,675	111,352	344,212
% Of Rooms Sold	52%	43%	40%	45%
2004 BOOKINGS	97,248	87,892	101,812	284,912
% Of Rooms Sold	40%	35%	38%	37%
2003/2004 VARIANCE	-22%	-18%	-9%	-17%

2004 PKF OUTLOOK versus 2003 ACTUAL

Toronto Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	-2.9%	-2.9%	-2.9%	-2.9%	-2.1%	-2.5%	0.0%	1.7%	-0.8%
Occupancy Points	-1.3%	1.0%	0.5%	0.2%	21.0%	11.0%	9.0%	-1.3%	7.5%
Occupied Room Nights	-5.4%	-0.3%	-2.1%	-2.6%	43.1%	18.3%	13.4%	-0.3%	11.7%
Average Daily Rate	0.1%	3.0%	2.8%	2.1%	10.7%	7.2%	18.9%	5.7%	10.2%
Rooms Revenue ($000)	-5.3%	2.7%	0.6%	-0.5%	58.7%	26.8%	34.9%	5.4%	23.2%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Toronto Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	0.3%	2.4%	3.5%	2.0%	21.6%	11.0%	7.4%	-4.1%	6.8%
Occupied Room Nights	-2.4%	1.0%	2.8%	0.6%	43.1%	20.0%	11.0%	-4.8%	10.6%
Average Daily Rate	-4.4%	-0.9%	-3.3%	-2.8%	9.8%	4.4%	10.8%	7.7%	7.0%
Rooms Revenue ($000)	-6.7%	0.1%	-0.6%	-2.3%	57.5%	25.3%	23.0%	2.8%	18.4%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	100%	13,975	$ 1,915,523
Total	**100%**	**13975**	**$ 1,915,523**
% Of 2003 Total	**2%**		

Toronto Airport

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,553	5,553	5,553	5,553	5,553	5,553	5,553	5,553	5,553
Available Room Nights	499,770	505,323	1,005,093	510,876	172,143	166,590	172,143	510,876	2,026,845
Occupancy	62%	65%	64%	68%	65%	64%	47%	59%	64%
Occupied Room Nights	308,802	330,513	639,315	349,703	112,409	106,284	81,424	300,117	1,289,136
Average Daily Rate	$115	$116	$116	$112	$113	$112	$106	$110	$114
Rooms Revenue ($000)	$35,627	$38,384	$74,011	$39,159	$12,649	$11,893	$8,615	$33,157	$146,327

2003 ACTUAL RESULTS

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,325	5,368	5,347	5,368	4,809	4,809	4,809	4,809	5,217
Available Room Nights	479,285	488,488	967,773	493,856	149,079	144,270	149,079	442,428	1,904,057
Occupancy	66%	51%	59%	64%	74%	70%	54%	66%	62%
Occupied Room Nights	318,539	247,951	566,490	317,637	109,871	101,278	80,801	291,950	1,176,077
Average Daily Rate	$112	$106	$110	$107	$111	$109	$105	$108	$10
Rooms Revenue ($000)	$35,782	$26,405	$62,187	$34,085	$12,157	$11,052	$8,447	$31,657	$127,92

BOOKING PATTERNS

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	86,322	114,654	200,976	128,051	52,717	29,341	15,854	97,912	426,939
% Of Rooms Sold	28%	35%	31%	37%	47%	28%	19%	33%	33%
2003 BOOKINGS	86,875	74,569	161,444	73,597	54,638	32,037	19,955	106,586	341,627
% Of Rooms Sold	27%	30%	28%	23%	50%	32%	25%	37%	29%
2002/2003 VARIANCE	1%	-35%	-20%	-43%	4%	9%	26%	9%	-20%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	-4.1%	-3.3%	-3.7%	-3.3%	-13.4%	-13.4%	-13.4%	-13.4%	-6.1%
Occupancy Points	4.7%	-14.6%	-5.1%	-4.1%	8.4%	6.4%	6.9%	7.2%	-1.8%
Occupied Room Nights	3.2%	-25.0%	-11.4%	-9.2%	-2.3%	-4.7%	-0.8%	-2.7%	-8.8%
Average Daily Rate	-2.8%	-8.3%	-5.2%	-4.2%	-1.7%	-2.5%	-1.2%	-1.9%	-4.2%
Rooms Revenue ($000)	0.4%	-31.2%	-16.0%	-13.0%	-3.9%	-7.1%	-1.9%	-4.5%	-12.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.7%	-18.3%	-8.8%	-7.9%	4.8%	2.9%	5.0%	4.3%	-5.4%
Occupied Room Nights	1.1%	-26.5%	-13.1%	-11.0%	-4.2%	-6.6%	-1.2%	-4.2%	-10.5%
Average Daily Rate	-4.5%	-10.1%	-7.0%	-6.1%	-3.6%	-4.4%	-3.4%	-3.9%	-6.1%
Rooms Revenue ($000)	-3.5%	-33.9%	-19.2%	-16.3%	-7.6%	-10.7%	-4.6%	-7.9%	-15.9%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-2.3%	-18.7%	-10.6%	-6.4%	5.5%	7.1%	8.1%	6.9%	-5.2%
Occupied Room Nights	-3.3%	-26.9%	-15.3%	-9.1%	-3.1%	-0.4%	5.3%	0.0%	-10.2%
Average Daily Rate	-6.9%	-11.5%	-8.9%	-15.3%	-9.1%	-12.0%	-11.8%	-10.9%	-11.1%
Rooms Revenue ($000)	-10.0%	-35.3%	-22.8%	-23.0%	-12.0%	-12.3%	-7.1%	-10.9%	-20.2%

REVENUE VARIANCE SUMMARY

Toronto Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$156	-$11,980	-$11,824	-$5,074	-$492	-$841	-$168	-$1,501	-$18,39
2003 Actual versus 2003 PKF Outlook ($000)	-$1,284	-$13,530	-$14,814	-$6,656	-$1,003	-$1,321	-$407	-$2,732	-$24,202

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	20%	(1,624)	Business Travel	41%	(3,348)
Local/Regional Economic Conditions	23%	(1,873)	Independent Leisure Travel	5%	(447)
Destination Marketing Promotions/Packages	2%	(147)	Group Leisure	6%	(486)
Increased Supply/Competition	8%	(617)	Meetings/Convention Travel	15%	(1,212)
Geopolitical Reasons (Iraq War, Residual 9/11)	11%	(911)	Government	4%	(293)
Fear/Impacts Associated with SARS	8%	(622)	Other	29%	(2,374)
Other Reasons	29%	(2,374)			
Total	**100%**	**(8,168)**	**Total**	**100%**	**(8,168)**
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	72%	(5,843)	Air	70%	(5,740)
US Travel	28%	(2,280)	Automobile	28%	(2,281)
Overseas Travel	1%	(45)	Motorcoach	2%	(147)
			Other	0%	-
Total	**100%**	**(8,168)**	**Total**	**100%**	**(8,168)**

Toronto Airport

2004 OUTLOOK

2003 ACTUAL RESULTS

Toronto Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	5,303	5,303	5,368	5,325	5,368	5,347	5,368	4,808	5,217
Available Room Nights	164,393	148,484	166,408	479,285	488,488	967,773	493,856	442,429	1,904,057
Occupancy	70%	71%	59%	66%	51%	59%	64%	66%	62%
Occupied Room Nights	114,410	105,275	98,846	318,530	247,951	566,480	317,637	291,950	1,176,077
Average Daily Rate	$114	$113	$110	$112	$106	$110	$107	$108	$108
Rooms Revenue ($000)	$13,010	$11,886	$10,884	$35,782	$26,405	$62,187	$34,095	$31,657	$127,928

2004 PKF OUTLOOK AT JANUARY 1, 2004

Toronto Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,808	4,808	5,218	4,950	5,218	5,085	5,218	5,218	5,152
Available Room Nights	149,079	134,652	161,758	445,489	474,838	920,327	480,056	480,056	1,880,439
Occupancy	70%	70%	70%	70%	62%	66%	72%	66%	66%
Occupied Room Nights	104,355	94,256	113,231	311,842	292,730	604,572	347,101	316,246	1,269,919
Average Daily Rate	$115	$115	$110	$113	$115	$114	$115	$114	$114
Rooms Revenue ($000)	$12,001	$10,838	$12,455	$35,294	$33,664	$68,960	$39,917	$36,153	$145,030

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Toronto Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,808	4,808	5,218	4,950	5,218	5,085	5,218	5,218	5,152
Available Room Nights	149,079	134,652	161,758	445,489	474,838	920,327	480,056	480,056	1,880,439
Occupancy	73%	73%	61%	69%	67%	68%	72%	59%	67%
Occupied Room Nights	109,329	98,520	98,746	306,595	316,672	623,267	347,919	281,985	1,253,150
Average Daily Rate	$111	$110	$108	$110	$107	$108	$108	$107	$108
Rooms Revenue ($000)	$12,147	$10,849	$10,697	$33,692	$33,808	$67,490	$37,427	$30,280	$135,208

2004 BOOKING PATTERNS

Toronto Airport	January	February	March	1st Quarter
2003 BOOKINGS	43,944	24,787	17,591	86,322
% Of Rooms Sold	38%	24%	18%	27%
2004 BOOKINGS	50,253	24,389	22,902	98,721
% Of Rooms Sold	44%	23%	23%	30%
2003/2004 VARIANCE	14%	-2%	30%	12%

2004 PKF OUTLOOK versus 2003 ACTUAL

Toronto Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	-9.3%	-9.3%	-2.8%	-7.1%	-2.8%	-4.9%	-2.8%	8.5%	-1.2%
Occupancy Points	0.4%	-0.9%	10.6%	3.5%	10.9%	7.2%	8.0%	0.3%	5.8%
Occupied Room Nights	-8.8%	-10.5%	14.6%	-2.1%	18.1%	6.7%	9.3%	9.0%	8.0%
Average Daily Rate	1.1%	1.8%	-0.1%	0.8%	8.0%	3.9%	7.2%	4.8%	5.0%
Rooms Revenue ($000)	-7.8%	-8.8%	14.4%	-1.4%	27.5%	10.9%	17.1%	14.2%	13.4%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Toronto Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	3.7%	2.3%	1.6%	2.4%	15.9%	9.2%	8.2%	-7.3%	4.9%
Occupied Room Nights	-4.4%	-6.4%	-0.1%	-3.7%	27.7%	10.0%	9.5%	-3.4%	6.6%
Average Daily Rate	-2.3%	-2.5%	-1.6%	-2.2%	0.2%	-1.3%	0.3%	-1.0%	-0.9%
Rooms Revenue ($000)	-6.6%	-8.7%	-1.7%	-5.9%	28.0%	8.5%	9.8%	-4.3%	5.7%

Q1'04 CANCELLATIONS	**%**	**ORN**	**Potential**
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	100%	62	$ 6,935
Total	**100%**	**62**	**$ 6,935**
% Of 2003 Total	**0%**		

Toronto North East

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	7,800	7,945	7,873	8,084	8,377	8,377	8,377	8,377	8,053
Available Room Nights	702,000	722,995	1,424,995	743,754	259,687	251,310	259,687	770,684	2,938,433
Occupancy	49%	62%	56%	70%	62%	58%	44%	55%	59%
Occupied Room Nights	346,562	450,805	797,367	517,921	161,266	145,008	114,782	421,053	1,736,341
Average Daily Rate	$107	$106	$106	$110	$109	$108	$104	$107	$107
Rooms Revenue ($000)	$37,130	$47,562	$84,692	$56,746	$17,592	$15,597	$11,924	$45,113	$186,552

2003 ACTUAL RESULTS

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,441
Available Room Nights	759,690	768,131	1,527,821	776,572	261,671	253,230	261,671	776,572	3,080,965
Occupancy	49%	46%	47%	59%	62%	59%	45%	55%	52%
Occupied Room Nights	370,703	354,078	724,781	457,609	162,236	148,393	118,799	429,427	1,611,818
Average Daily Rate	$106	$104	$105	$101	$107	$105	$103	$105	$104
Rooms Revenue ($000)	$39,406	$36,824	$76,230	$46,256	$17,298	$15,620	$12,229	$45,147	$167,633

BOOKING PATTERNS

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	45,912	69,704	115,617	223,811	82,414	33,028	12,695	128,137	467,565
% Of Rooms Sold	13%	10%	14%	43%	51%	23%	11%	30%	27%
2003 BOOKINGS	161,326	161,838	323,164	104,361	72,667	39,463	13,994	127,806	555,331
% Of Rooms Sold	44%	46%	45%	23%	45%	27%	12%	30%	34%
2002/2003 VARIANCE	251%	132%	180%	-53%	-12%	19%	10%	0%	19%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	8.2%	6.2%	7.2%	4.4%	0.8%	0.8%	0.8%	0.8%	4.8%
Occupancy Points	-0.6%	-16.3%	-8.5%	-10.7%	-0.1%	0.9%	1.2%	0.7%	-6.8%
Occupied Room Nights	7.0%	-21.5%	-9.1%	-11.6%	0.6%	2.3%	3.5%	2.0%	-7.2%
Average Daily Rate	-0.8%	-1.4%	-1.0%	-7.7%	-2.3%	-2.1%	-0.9%	-1.8%	-3.2%
Rooms Revenue ($000)	6.1%	-22.6%	-10.0%	-18.5%	-1.7%	0.1%	2.6%	0.1%	-10.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.9%	-13.9%	-6.7%	-9.4%	-1.1%	-0.1%	1.0%	0.1%	-5.7%
Occupied Room Nights	1.0%	-23.1%	-12.4%	-13.8%	-1.8%	-0.2%	3.6%	0.2%	-8.8%
Average Daily Rate	-2.8%	-3.3%	-2.9%	-9.6%	-4.2%	-4.1%	-2.1%	-3.6%	-6.1%
Rooms Revenue ($000)	-1.8%	-25.7%	-15.0%	-22.0%	-5.9%	-4.2%	1.4%	-3.4%	-14.4%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	3.1%	-14.4%	-5.7%	-11.7%	-5.2%	-6.2%	-4.4%	-4.9%	-7.0%
Occupied Room Nights	6.7%	-23.8%	-10.8%	-16.6%	-7.7%	-8.1%	-8.9%	-8.2%	-11.8%
Average Daily Rate	-1.5%	-2.5%	-1.9%	-11.1%	-6.0%	-7.4%	-6.2%	-6.5%	-5.9%
Rooms Revenue ($000)	5.2%	-25.7%	-12.4%	-25.8%	-13.2%	-14.9%	-14.6%	-14.2%	-17.0%

REVENUE VARIANCE SUMMARY

Toronto North East	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$2,276	-$10,739	-$8,462	-$10,490	-$295	$23	$306	$34	-$18,919
2003 Actual versus 2003 PKF Outlook ($000)	-$719	-$12,723	-$13,442	-$13,072	-$1,089	-$687	$166	-$1,610	-$28,124

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	18%	1,475
Local/Regional Economic Conditions	20%	1,691
Destination Marketing Promotions/Packages	0%	-
Increased Supply/Competition	0%	-
Geopolitical Reasons (Iraq War, Residual 9/11)	18%	1,498
Fear/Impacts Associated with SARS	21%	1,762
Other Reasons	23%	1,948
Total	100%	8,374

SEGMENTATION	%	ORN
Business Travel	25%	2,057
Independent Leisure Travel	25%	2,114
Group Leisure	6%	469
Meetings/Convention Travel	35%	2,958
Government	1%	74
Other	8%	702
Total	100%	8,374

GUEST ORIGIN	%	ORN
Domestic Travel	54%	4,520
US Travel	42%	3,502
Overseas Travel	4%	352
Total	100%	8,374

TRANSPORTATION	%	ORN
Air	44%	3,678
Automobile	53%	4,462
Motorcoach	3%	234
Other	0%	-
Total	100%	8,374

Toronto North East

2004 OUTLOOK

2003 ACTUAL RESULTS

Toronto North East	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,441
Available Room Nights	261,671	236,348	261,671	759,690	768,131	1,527,821	776,572	776,572	3,080,965
Occupancy	45%	52%	50%	49%	46%	47%	59%	55%	52%
Occupied Room Nights	116,705	122,901	131,097	370,703	354,078	724,781	457,600	429,427	1,611,818
Average Daily Rate	$106	$107	$106	$106	$104	$105	$101	$105	$104
Rooms Revenue ($000)	$12,377	$13,130	$13,900	$39,406	$36,824	$76,230	$46,256	$45,147	$167,633

2004 PKF OUTLOOK AT JANUARY 1, 2004

Toronto North East	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,761	8,522
Available Room Nights	261,671	236,348	261,671	759,690	768,131	1,527,821	776,572	806,012	3,110,405
Occupancy	45%	52%	50%	49%	60%	54%	68%	56%	58%
Occupied Room Nights	117,752	122,901	130,936	371,488	460,879	832,367	530,939	451,016	1,814,322
Average Daily Rate	$107	$108	$107	$107	$108	$108	$110	$107	$108
Rooms Revenue ($000)	$12,599	$13,273	$13,999	$39,672	$49,874	$89,[illegible]46	$58,403	$48,212	$196,361

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Toronto North East	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,761	8,522
Available Room Nights	261,671	236,348	261,671	759,690	768,131	1,527,821	776,572	806,012	3,110,405
Occupancy	50%	53%	48%	50%	72%	61%	77%	57%	64%
Occupied Room Nights	130,374	125,384	125,587	381,365	550,472	931,838	594,876	461,266	1,987,980
Average Daily Rate	$110	$112	$110	$110	$104	$107	$110	$109	$108
Rooms Revenue ($000)	$14,281	$13,988	$13,835	$42,103	$57,505	$99,608	$65,190	$50,463	$215,261

2004 BOOKING PATTERNS

Toronto North East	January	February	March	1st Quarter
2003 BOOKINGS	15,619	14,083	16,230	45,912
% Of Rooms Sold	13%	11%	12%	12%
2004 BOOKINGS	20,550	14,728	9,633	48,592
% Of Rooms Sold	18%	12%	7%	13%
2003/2004 VARIANCE	32%	5%	-41%	6%

2004 PKF OUTLOOK versus 2003 ACTUAL

Toronto North East	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.8%	1.0%
Occupancy Points	0.4%	0.0%	-0.1%	0.1%	13.9%	7.0%	9.4%	0.7%	6.0%
Occupied Room Nights	0.9%	0.0%	-0.2%	0.2%	30.2%	14.8%	16.0%	5.0%	12.6%
Average Daily Rate	0.9%	1.1%	0.9%	1.0%	4.1%	2.5%	8.8%	1.7%	4.1%
Rooms Revenue ($000)	1.8%	1.1%	0.7%	1.2%	35.4%	17.7%	26.3%	6.8%	17.1%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Toronto North East	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	5.2%	1.1%	-2.1%	1.4%	25.6%	13.6%	17.7%	1.9%	11.6%
Occupied Room Nights	11.7%	2.0%	-4.2%	2.9%	55.5%	28.6%	30.0%	7.4%	23.3%
Average Daily Rate	3.3%	4.4%	3.9%	3.9%	0.4%	1.6%	8.4%	4.1%	4.1%
Rooms Revenue ($000)	15.4%	6.5%	-0.5%	6.8%	56.2%	30.7%	40.9%	11.8%	28.4%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	25%	28	$ 2,952
SARS Fallout	75%	83	$ 8,856
Other Reasons	0%	-	$ -
Total	**100%**	**111**	**$ 11,807**
% Of 2003 Total	**0%**		

5.3 OTTAWA

2003 ANNUAL RESULTS

Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Ottawa market was 9,746 rooms – with the addition of 236 rooms in 2003.

- PKF estimates that 182 new guest rooms will be added to Ottawa's accommodation inventory in 2004 resulting in a 1.9% growth in supply.

Demand

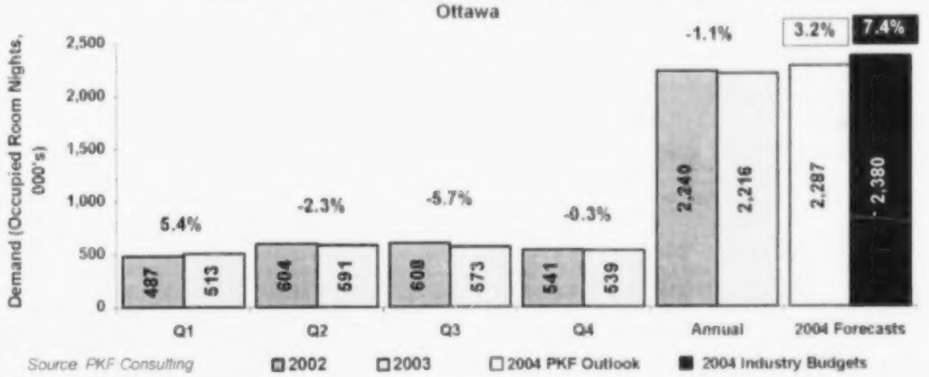
- During 2003, the Ottawa hotel market achieved 62% occupancy at an average daily rate of $125.

- Demand for hotels rooms in Ottawa **declined by 24,000 room nights in 2003**, compared to 2002.

- On a quarter-by-quarter basis, demand for Ottawa's room nights was significantly higher in quarter 1 – up 5.4%. Demand declined in all remaining quarters of 2003 – quarter 2 (-2.3%), quarter 3 (-5.7%) and quarter 4 (-0.3%).

- Demand is forecasted by PKF to reach 2,380,000 room nights in 2004, which represents a 3.2% improvement in demand compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Ottawa



Source: PKF Consulting

Room Revenue

- From a revenue perspective a loss was recorded by Ottawa hoteliers in every quarter of 2003 except in quarter 1 with a gain of 7.8%. Room revenue declined by 3.7% in quarter 2, 6.5% in quarter 3 and 0.5% in quarter 4.

- Overall, 2003 room revenue declined by $3 Million (1.2%) compared to 2002.

- PKF forecasts that 2004 room revenue in Ottawa will reach $289 Million, a 4.5% improvement over 2003.

- The Ottawa accommodation market has budgeted for 66% occupancy at an average rate of $127 equating to a 9.6% increase in room revenue compared to 2003.

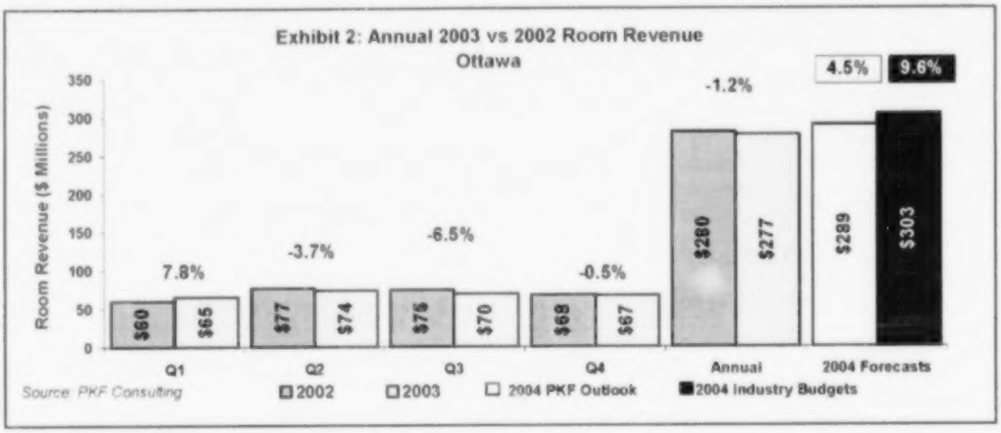


Exhibit 2: Annual 2003 vs 2002 Room Revenue
Ottawa

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Ottawa hoteliers had pre-booked nearly 238,000 room nights for the upcoming months of October, November and December – approximately 27,000 fewer bookings then pre-booked for quarter 4 2003.
- The fill rate for the industry was 9.2% higher for quarter 4, 2003 with 25,000 additional room nights sold compared to 2002 during the quarter.

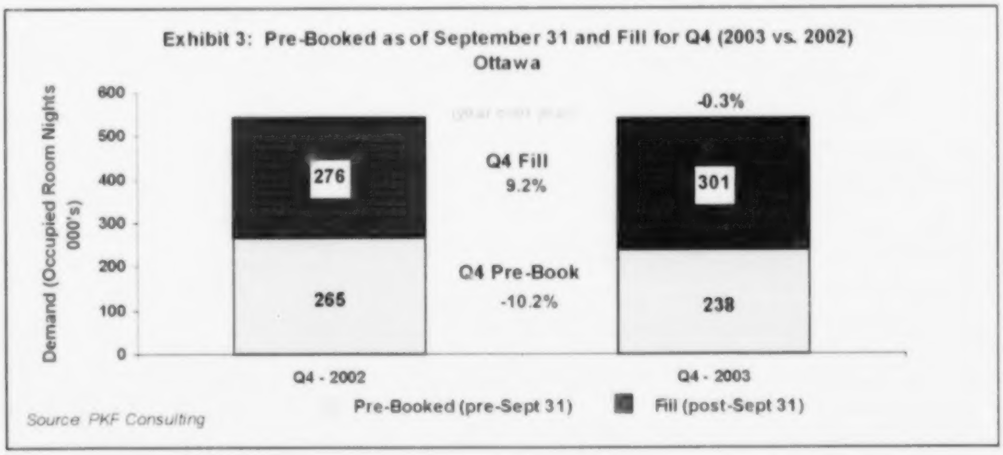


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
Ottawa

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Ottawa accommodation operators experienced a slight decline in demand during the 4th quarter, with the loss of 1,800 occupied room nights. They reported that economic conditions (45%) and geopolitical concerns (17%) were the main factors responsible for the decline in demand. Hotel operators did note that destination marketing packages offset a portion of this decline.

- Ottawa hoteliers felt that 78% of their loss of demand was attributable to guests with domestic origins with the remaining 18% from the United States and 4% from overseas.

- Ottawa hoteliers assigned demand loss across all segments with business travel slightly higher at 25%.

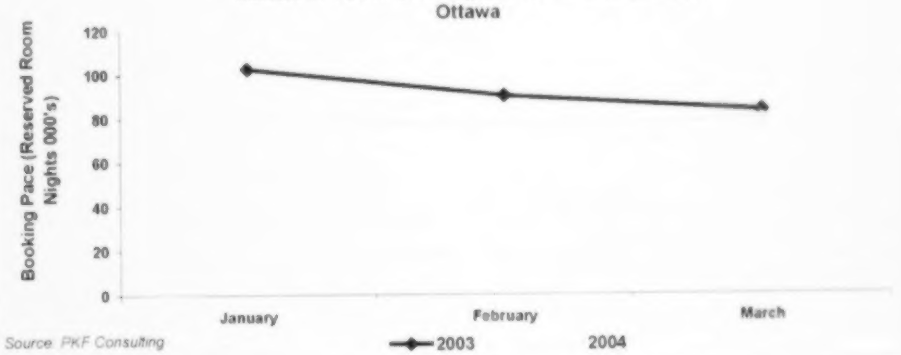
- Hotels in Ottawa attribute a majority of their improvement in 4th quarter demand to guest arriving via automobile (48%) and by airplane (46%)

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 236,000 room nights or 52% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 276,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **40,000 fewer room nights** or a 15% decline in pre-booked room nights.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Ottawa



Source: PKF Consulting

Ottawa

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	9,356	9,532	9,444	9,607	9,607	9,607	9,607	9,607	9,526
Available Room Nights	842,040	867,412	1,709,452	883,844	297,817	288,210	297,817	883,844	3,477,140
Occupancy	58%	70%	64%	69%	74%	66%	44%	61%	65%
Occupied Room Nights	486,737	608,381	1,095,117	608,179	219,491	189,642	131,516	540,649	2,243,946
Average Daily Rate	$124	$128	$126	$123	$129	$124	$119	$125	$125
Rooms Revenue ($000)	$60,485	$77,858	$138,343	$74,532	$28,347	$23,512	$15,698	$67,557	$280,432

2003 ACTUAL RESULTS

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	9,607	9,894	9,751	9,883	9,883	9,883	9,883	9,883	9,818
Available Room Nights	864,630	900,354	1,764,984	909,236	306,373	296,490	306,373	909,236	3,583,456
Occupancy	59%	68%	64%	63%	71%	64%	43%	59%	62%
Occupied Room Nights	512,822	609,323	1,122,145	573,429	217,525	190,940	130,392	538,857	2,234,431
Average Daily Rate	$127	$126	$127	$121	$129	$124	$118	$125	$125
Rooms Revenue ($000)	$65,232	$76,820	$142,052	$69,658	$28,126	$23,715	$15,358	$67,198	$278,908

BOOKING PATTERNS

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	216,620	315,877	532,497	389,517	152,614	83,427	28,998	265,038	1,187,052
% Of Rooms Sold	45%	52%	49%	64%	70%	44%	22%	49%	53%
2003 BOOKINGS	199,162	330,103	529,265	331,239	133,311	71,321	33,278	237,910	1,098,415
% Of Rooms Sold	39%	54%	47%	58%	61%	37%	26%	44%	49%
2002/2003 VARIANCE	-8%	5%	-1%	-15%	-13%	-15%	15%	-10%	-7%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2.7%	3.8%	3.2%	2.9%	2.9%	2.9%	2.9%	2.9%	3.1%
Occupancy Points	1.5%	-2.5%	-0.5%	-5.7%	-2.7%	-1.4%	-1.6%	-1.9%	-2.2%
Occupied Room Nights	5.4%	0.2%	2.5%	-5.7%	-0.9%	0.7%	-0.9%	-0.3%	-0.4%
Average Daily Rate	2.4%	-1.5%	0.2%	-0.9%	0.1%	0.2%	-1.3%	-0.2%	-0.1%
Rooms Revenue ($000)	7.8%	-1.3%	2.7%	-6.5%	-0.8%	0.9%	-2.2%	-0.5%	-0.5%

2003 ACTUAL TO 2003 PKF OUTLOOK

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.6%	-1.6%	0.0%	-3.6%	-0.5%	0.6%	-0.4%	-0.1%	-0.9%
Occupied Room Nights	2.8%	-2.3%	0.0%	-8.0%	-3.4%	-1.8%	-3.6%	-2.9%	-2.9%
Average Daily Rate	0.4%	-3.4%	-1.8%	-2.8%	-2.2%	-1.4%	-3.3%	-2.2%	-2.1%
Rooms Revenue ($000)	3.2%	-5.6%	-1.8%	-10.6%	-5.6%	-3.1%	-6.8%	-5.0%	-4.9%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	2.2%	-0.1%	1.0%	-6.0%	-2.1%	-1.4%	0.4%	-1.1%	-1.3%
Occupied Room Nights	3.8%	-0.2%	1.6%	-11.2%	-5.6%	-4.9%	-1.8%	-4.4%	-3.5%
Average Daily Rate	0.4%	-1.2%	-0.5%	-2.0%	-3.2%	-3.2%	-6.9%	-4.1%	-1.7%
Rooms Revenue ($000)	4.2%	-1.4%	1.1%	-13.0%	-8.6%	-7.9%	-8.7%	-8.4%	-5.1%

REVENUE VARIANCE SUMMARY

Ottawa	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$4,747	-$1,039	$3,708	-$4,874	-$221	$203	-$340	-$359	-$1,524
2003 Actual versus 2003 PKF Outlook ($000)	$1,995	-$4,581	-$2,586	-$8,265	-$1,671	-$768	-$1,113	-$3,552	-$14,403

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	15%	(275)
Local/Regional Economic Conditions	30%	(536)
Destination Marketing Promotions/Packages	24%	(435)
Increased Supply/Competition	5%	(97)
Geopolitical Reasons (Iraq War, Residual 9/11)	17%	(307)
Fear/Impacts Associated with SARS	8%	(142)
Other Reasons	0%	-
Total	100%	(1,793)

SEGMENTATION	%	ORN
Business Travel	25%	(445)
Independent Leisure Travel	12%	(223)
Group Leisure	16%	(283)
Meetings/Convention Travel	24%	(424)
Government	23%	(404)
Other	1%	(14)
Total	100%	(1,793)

GUEST ORIGIN	%	ORN
Domestic Travel	78%	(1,396)
US Travel	18%	(326)
Overseas Travel	4%	(71)
Total	100%	(1,793)

TRANSPORTATION	%	ORN
Air	46%	(823)
Automobile	48%	(857)
Motorcoach	6%	(112)
Other	0%	-
Total	100%	(1,793)

Ottawa

2004 OUTLOOK

2003 ACTUAL RESULTS

Ottawa	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	9,607	9,607	9,607	9,607	9,894	9,751	9,883	9,883	9,818
Available Room Nights	297,817	268,996	297,817	864,630	900,354	1,764,984	909,236	909,236	3,583,456
Occupancy	51%	66%	61%	59%	68%	64%	63%	59%	62%
Occupied Room Nights	151,887	178,075	182,860	512,822	609,323	1,122,145	573,429	538,857	2,234,431
Average Daily Rate	$130	$128	$124	$127	$126	$127	$121	$125	$125
Rooms Revenue ($000)	$19,730	$22,762	$22,740	$65,232	$76,820	$142,052	$69,658	$67,198	$278,908

2004 PKF OUTLOOK AT JANUARY 1, 2004

Ottawa	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	9,883	9,883	9,883	9,883	9,943	9,913	9,943	9,943	9,928
Available Room Nights	306,373	276,724	306,373	889,470	904,813	1,794,283	914,756	914,756	3,623,795
Occupancy	50%	65%	60%	58%	69%	64%	67%	58%	63%
Occupied Room Nights	153,187	179,871	183,824	516,881	627,702	1,144,582	609,506	532,945	2,287,033
Average Daily Rate	$130	$128	$125	$128	$127	$127	$125	$126	$126
Rooms Revenue ($000)	$19,914	$23,023	$22,979	$65,916	$79,782	$145,697	$76,230	$67,080	$289,006

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Ottawa	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	9,883	9,883	9,883	9,883	9,943	9,913	9,943	9,943	9,928
Available Room Nights	306,373	276,724	306,373	889,470	904,813	1,794,283	914,756	914,756	3,623,795
Occupancy	48%	65%	65%	59%	69%	64%	69%	67%	66%
Occupied Room Nights	147,371	181,154	199,133	527,658	626,828	1,154,486	635,680	609,040	2,399,208
Average Daily Rate	$126	$127	$125	$126	$128	$127	$126	$129	$127
Rooms Revenue ($000)	$18,547	$22,988	$24,794	$66,329	$80,491	$146,820	$79,831	$78,841	$305,492

2004 BOOKING PATTERNS

Ottawa	January	February	March	1st Quarter
2003 BOOKINGS	102,537	90,168	83,262	275,966
% Of Rooms Sold	68%	51%	46%	54%
2004 BOOKINGS	80,330	75,874	79,467	235,672
% Of Rooms Sold	67%	51%	44%	52%
2003/2004 VARIANCE	-22%	-16%	-5%	-15%

2004 PKF OUTLOOK versus 2003 ACTUAL

Ottawa	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	2.9%	2.9%	2.9%	2.9%	0.5%	1.7%	0.6%	0.6%	1.1%
Occupancy Points	-1.0%	-1.2%	-1.4%	-1.2%	1.7%	0.2%	3.6%	-1.0%	0.8%
Occupied Room Nights	0.9%	1.0%	0.5%	0.8%	3.0%	2.0%	6.3%	-1.1%	2.4%
Average Daily Rate	0.1%	0.1%	0.5%	0.3%	0.8%	0.6%	3.0%	0.9%	1.2%
Rooms Revenue ($000)	0.9%	1.2%	1.0%	1.0%	3.9%	2.6%	9.4%	-0.2%	3.6%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Ottawa	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-2.9%	-0.7%	3.8%	0.0%	1.6%	0.8%	6.4%	7.3%	3.9%
Occupied Room Nights	-3.0%	1.7%	8.9%	2.9%	2.9%	2.0%	10.9%	13.0%	7.4%
Average Daily Rate	-3.1%	-0.7%	0.1%	-1.2%	1.9%	0.5%	3.4%	3.8%	2.0%
Rooms Revenue ($000)	-6.0%	1.0%	9.0%	1.7%	4.8%	3.4%	14.6%	17.3%	9.5%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	45%	1,356	$ 172,525
SARS Fallout	0%	-	$ -
Other Reasons	55%	1,628	$ 207,030
Total	**100%**	**2,984**	**$ 379,556**
% Of 2003 Total	**1%**		

5.4 WINDSOR

2003 ANNUAL RESULTS

Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Windsor market was 2,800 rooms – with the addition of 75 rooms in 2003.
- PKF estimates that 74 new guest rooms will be added to Windsor's accommodation inventory in 2004 resulting in a 2.6% growth in supply.

Demand

- During 2003, the Windsor hotel market achieved 58% occupancy at an average daily rate of $103.
- Demand for hotels rooms in Windsor **declined by 35,200 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Windsor's room nights improved in quarter 1 by 2.0% before falling in all three remaining quarters by 14.2%, 4.4% and 4.6%, respectively.
- Demand is forecasted by PKF to 642,000 room nights in 2004, which represents an 8.0% decline in demand compared to 2003.

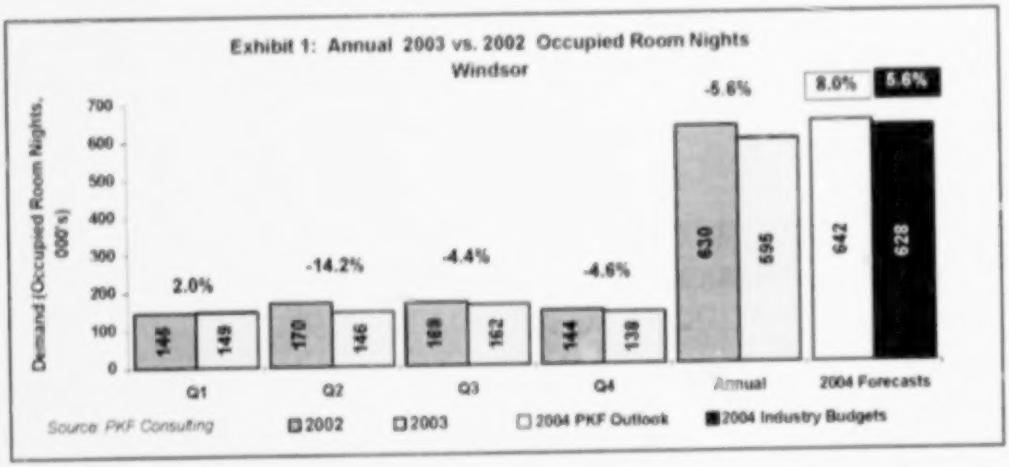


Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Windsor

Source: PKF Consulting

Room Revenue

- From a revenue perspective, a loss was recorded by Windsor hoteliers in every quarter of 2003 except during quarter 1 which saw revenues increase by 4.4% - quarter 2 (-18.3%), quarter 3 (-8.2%) and quarter 4 (-7.6%).
- Overall, 2003 room revenue declined by $5.4 Million (8.0%) compared to 2002.
- PKF forecasts that 2004 room revenue in Windsor will reach $68 Million, a 10.9% improvement over 2003.

- The Windsor accommodation market has budgeted for 60% occupancy at an average rate of $105 equating to a 7.8% increase in room revenue compared to 2003.

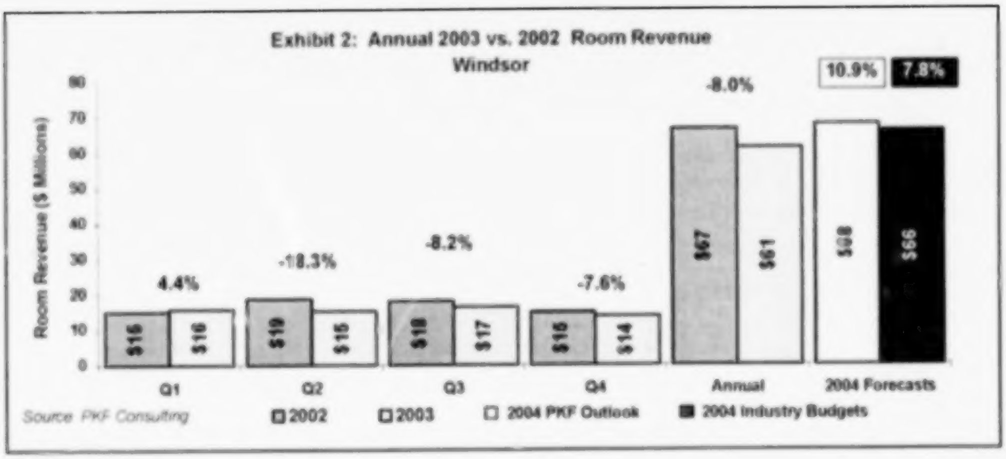


Exhibit 2: Annual 2003 vs. 2002 Room Revenue Windsor

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Windsor hoteliers had pre-booked over 25,000 room nights for the upcoming months of October, November and December – approximately 4,000 fewer bookings then pre-booked for quarter 4 2003.

- The fill rate for the industry was 4.6% lower for quarter 4, 2003 with 3,000 additional room nights sold compared to 2002 during the quarter.

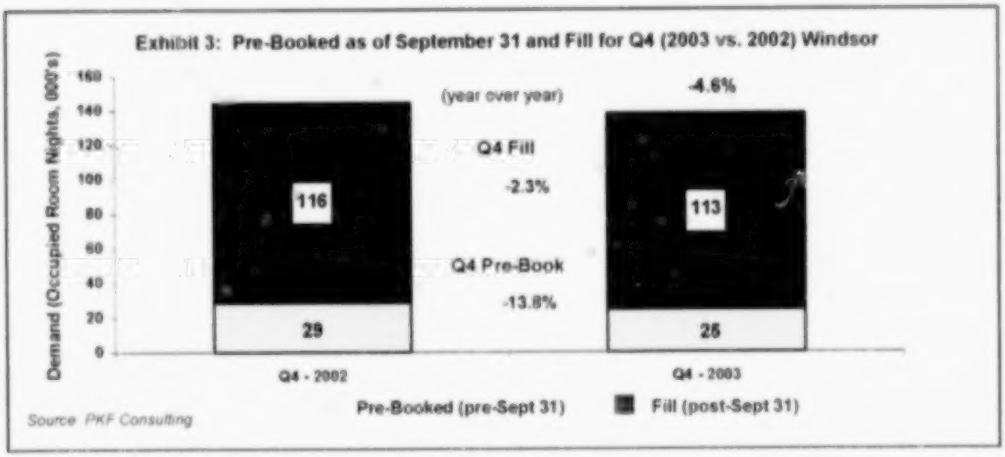


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002) Windsor

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Windsor accommodation operators experienced a decline in demand during the 4th quarter, with the loss of 6,600 occupied room nights. They reported that economic conditions (40%) and geopolitical reasons (13%) were the main factors responsible demand erosion.

- Windsor hoteliers felt that 51% of decline in demand was attributable to guests from the United States with the most of the remainder from Canada (46%).

- Windsor hoteliers assigned a majority of the demand to the business travel (41%) and the independent leisure travel (40%) segments.

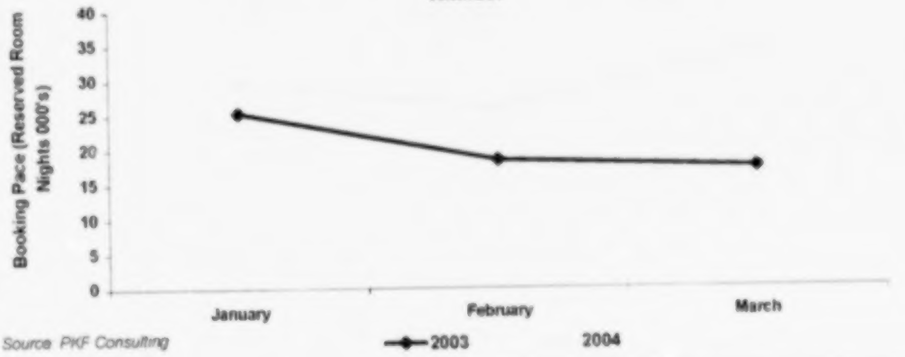
- Hotels in Windsor attribute a majority of their improvement in 4th quarter demand to guest arriving via automobile (90%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 90,000 room nights or 60% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 61,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **29,000 more room nights** or a 47% increase in pre-booked room nights.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Windsor



Source: PKF Consulting

Windsor

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725
Available Room Nights	245,250	247,975	493,225	250,700	84,475	81,750	84,475	250,700	994,625
Occupancy	59%	69%	64%	68%	63%	61%	50%	58%	63%
Occupied Room Nights	145,599	170,279	315,879	169,378	53,050	49,561	41,808	144,419	[illegible]
Average Daily Rate	$103	$109	$107	$106	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	$15,041	$18,638	$33,680	$17,994	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

2003 ACTUAL RESULTS

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	2,725	2,725	2,725	2,874	2,874	2,874	2,874	2,874	2,800
Available Room Nights	245,250	247,975	493,225	264,408	89,094	86,220	89,094	264,408	1,022,041
Occupancy	61%	59%	60%	61%	58%	55%	44%	52%	58%
Occupied Room Nights	148,570	146,155	294,725	161,931	51,607	47,535	39,157	137,889	594,555
Average Daily Rate	$106	$104	$105	$102	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rooms Revenue ($000)	$15,710	$15,226	$30,936	$16,526	[illegible]	[illegible]	[illegible]	$13,769	$61,231

BOOKING PATTERNS

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
2002 BOOKINGS	61,097	84,540	145,636	53,803	21,580	5,110	2,172	28,853	228,083
% Of Rooms Sold	42%	50%	46%	32%	40%	10%	5%	20%	36%
2003 BOOKINGS	66,094	69,852	135,946	44,255	19,600	4,327	1,900	24,688	204,889
% Of Rooms Sold	44%	48%	46%	27%	38%	9%	5%	18%	34%
2002/2003 VARIANCE	8%	-17%	-7%	-18%	-14%	-15%	-9%	-14%	-10%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	0.0%	0.0%	0.0%	5.5%	5.5%	5.5%	5.5%	5.5%	2.8%
Occupancy Points	1.2%	-9.7%	-4.3%	-6.3%	-5.1%	-5.7%	-5.7%	-5.9%	-5.1%
Occupied Room Nights	2.0%	-14.2%	-6.7%	-4.4%	-3.1%	-4.0%	-5.0%	-4.8%	-5.0%
Average Daily Rate	2.4%	-4.8%	-1.6%	-3.9%	-5.4%	-6.7%	1.6%	-3.2%	-2.8%
Rooms Revenue ($000)	4.4%	-18.3%	-8.1%	-8.2%	-8.4%	-9.0%	-5.0%	-7.6%	-8.0%

2003 ACTUAL TO 2003 PKF OUTLOOK

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Occupancy Points	0.0%	-11.1%	-5.6%	-4.1%	-3.0%	-3.7%	-4.2%	-3.7%	-4.7%
Occupied Room Nights	0.0%	-15.9%	-8.5%	-6.3%	-5.0%	-6.3%	-8.7%	-6.6%	-7.9%
Average Daily Rate	0.4%	-6.7%	-3.5%	-5.8%	-7.3%	-6.5%	3.2%	-4.1%	-4.3%
Rooms Revenue ($000)	0.4%	-21.5%	-11.7%	-11.7%	-11.9%	-12.5%	-5.6%	-10.4%	-11.6%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
Occupancy Points	-0.4%	-8.3%	-4.4%	-2.5%	-1.1%	-1.9%	-3.1%	-1.0%	-3.7%
Occupied Room Nights	-0.7%	-12.3%	-6.8%	-3.0%	-1.6%	-3.6%	-8.5%	-3.0%	-5.3%
Average Daily Rate	0.2%	-6.1%	-3.2%	-7.1%	-8.6%	-7.8%	-1.2%	-6.2%	-4.9%
Rooms Revenue ($000)	-0.6%	-17.6%	-9.8%	-10.7%	-10.3%	-10.2%	-7.0%	-9.5%	-10.0%

REVENUE VARIANCE SUMMARY

Windsor	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annua
2003 Actual versus 2002 Actual ($000)	$669	-$3,412	-$2,743	-$1,468	-$465	-$460	-$213	-$1,138	-$5,350
2003 Actual versus 2003 PKF Outlook ($000)	$61	-$4,165	-$4,104	-$2,195	-$680	-$664	-$248	-$1,602	[illegible]

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	17%	(1,140)	Business Travel	41%	(2,681)
Local/Regional Economic Conditions	23%	(1,496)	Independent Leisure Travel	40%	(2,647)
Destination Marketing Promotions/Packages	0%	-	Group Leisure	1%	(35)
Increased Supply/Competition	15%	(1,006)	Meetings/Convention Travel	0%	-
Geopolitical Reasons (Iraq War, Residual 9/11)	23%	(1,513)	Government	10%	(644)
Fear/Impacts Associated with SARS	8%	(504)	Other	9%	(593)
Other Reasons	14%	(933)			
Total	100%	(6,600)	**Total**	100%	(6,600)
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	46%	(3,027)	Air	9%	(586)
US Travel	51%	(3,399)	Automobile	90%	(5,913)
Overseas Travel	3%	(174)	Motorcoach	1%	(66)
			Other	1%	(35)
Total	100%	(6,600)	**Total**	100%	(6,600)

Windsor

2004 OUTLOOK

2003 ACTUAL RESULTS

Windsor	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	2,725	2,725	2,725	2,725	2,725	2,725	2,874	2,874	2,800
Available Room Nights	84,475	76,300	84,475	245,250	247,975	493,225	264,408	264,408	1,022,041
Occupancy	57%	57%	68%	61%	59%	60%	61%	52%	58%
Occupied Room Nights	47,813	43,587	57,190	148,570	146,155	294,725	161,931	137,899	594,555
Average Daily Rate	$104	$104	$108	$106	$104	$105	$102	$100	$103
Rooms Revenue ($000)	$4,980	$4,541	$6,190	$15,710	$15,226	$30,936	$16,528	$13,799	$61,232

2004 PKF OUTLOOK AT JANUARY 1, 2004

Windsor	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
Available Room Nights	89,094	80,472	89,094	258,660	261,534	520,194	264,408	264,408	1,049,010
Occupancy	54%	54%	65%	58%	67%	62%	67%	54%	61%
Occupied Room Nights	48,111	43,455	57,911	149,477	174,337	323,814	178,320	141,803	641,937
Average Daily Rate	$104	$104	$108	$106	$107	$106	$106	$104	$106
Rooms Revenue ($000)	$5,004	$4,519	$6,254	$15,777	$18,667	$34,445	$18,754	$14,684	$67,883

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Windsor	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
Available Room Nights	89,094	80,472	89,094	258,660	261,534	520,194	264,408	264,408	1,049,010
Occupancy	50%	51%	61%	54%	59%	57%	64%	62%	60%
Occupied Room Nights	44,984	41,429	54,546	140,639	154,004	294,643	169,999	162,943	627,586
Average Daily Rate	$104	$105	$110	$107	$107	$107	$106	$102	$105
Rooms Revenue ($000)	$4,652	$4,335	$5,993	$14,981	$16,534	$31,515	$17,893	$16,575	$65,983

2004 BOOKING PATTERNS

Windsor	January	February	March	1st Quarter
2003 BOOKINGS	25,348	19,429	17,320	61,097
% Of Rooms Sold	53%	42%	30%	41%
2004 BOOKINGS	29,481	26,047	34,087	89,608
% Of Rooms Sold	62%	60%	60%	60%
2003/2004 VARIANCE	16%	41%	97%	47%

2004 PKF OUTLOOK versus 2003 ACTUAL

Windsor	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	0.0%	0.0%	2.6%
Occupancy Points	-2.6%	-3.1%	-2.7%	-2.8%	7.7%	2.5%	5.4%	1.5%	3.0%
Occupied Room Nights	0.6%	-0.3%	1.3%	0.6%	19.3%	9.9%	9.9%	2.8%	8.0%
Average Daily Rate	-0.1%	-0.2%	-0.2%	-0.2%	2.8%	1.3%	4.2%	3.7%	2.7%
Rooms Revenue ($000)	0.5%	-0.5%	1.0%	0.4%	22.6%	11.3%	13.5%	6.6%	10.9%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Windsor	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-6.5%	-5.6%	-6.5%	-6.2%	-0.1%	-3.1%	3.1%	9.5%	1.7%
Occupied Room Nights	-6.6%	-4.9%	-4.6%	-5.3%	5.4%	0.0%	5.0%	18.2%	5.6%
Average Daily Rate	0.0%	0.4%	1.5%	0.7%	3.1%	1.9%	3.1%	1.9%	2.1%
Rooms Revenue ($000)	-6.6%	-4.5%	-3.2%	-4.6%	8.6%	1.9%	8.3%	20.4%	7.8%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

5.5 NIAGARA FALLS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Niagara Falls' accommodation market averaged 12,070 rooms in 2003 – a 1.9% increase over 2002.
- PKF estimates that 924 new guest rooms will be added to the Niagara Falls accommodation inventory in 2004 resulting in a 7.7% supply growth.

Demand

- During 2003, the Niagara Falls hotel market achieved 50% occupancy at an average daily rate of $120.
- Demand for hotels rooms in Niagara Falls **was down by almost 240,000 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Niagara Falls in 2003 was – quarter 1 (1.0%), quarter 2 (-18.9%), quarter 3 (-12.9%), and quarter 4 (-0.2%).
- Demand is forecasted by PKF to reach 2,529,868 room nights in 2004, which represents a 13.9% increase in demand compared to 2003.

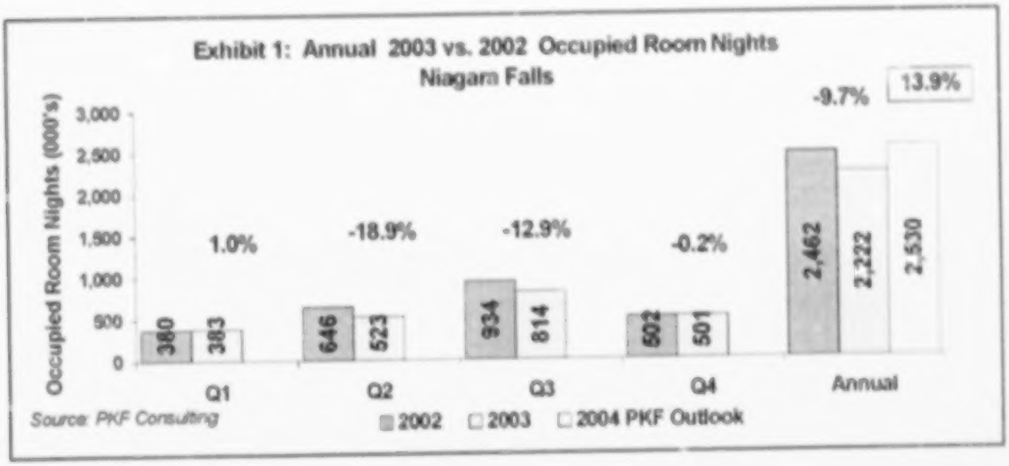


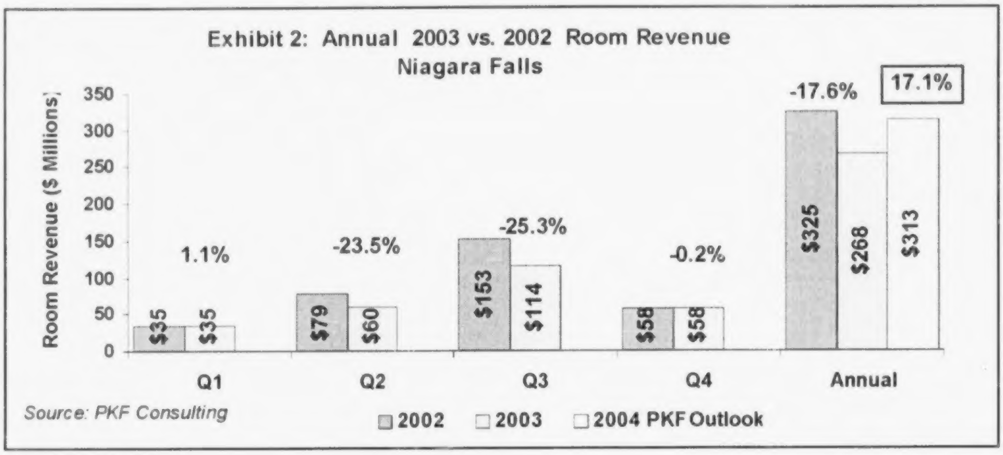
Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Niagara Falls

Source: PKF Consulting

Room Revenue

- From a revenue perspective the Niagara Falls hotel industry experienced year-over-year declines in three of the four quarters. Revenue increased by 1.1% in quarter 1, decreased by 23.5%, 25.3% and 0.2% in quarters 2, 3, and 4 respectively.
- Overall, 2003 room revenue declined by $57 Million (17.6%) compared to 2002 due to an equal decline in demand and average rate.

- PKF forecasts that 2004 room revenue in Niagara Falls will reach $313 Million, a 17.1% improvement over 2003.



Source: PKF Consulting

NIAGARA FALLS 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,898	11,898	11,898	11,898	11,898	11,609	11,609	11,706	11,850
Available Room Nights	1,070,820	1,082,718	2,153,538	1,094,616	368,838	348,270	359,879	1,076,987	4,325,141
Occupancy	35%	60%	48%	85%	67%	42%	31%	47%	57%
Occupied Room Nights	379,582	645,603	1,025,185	934,488	245,277	146,622	110,267	502,166	2,461,839
Average Daily Rate	$92	$123	$111	$164	$121	$107	$113	$115	$132
Rooms Revenue ($000)	$34,982	$79,107	$114,089	$152,842	$29,625	$15,718	$12,468	$57,810	$324,743

2003 PKF OUTLOOK AT JANUARY 1, 2003

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,840	11,840	11,840	12,054	12,540	12,540	12,540	12,540	12,070
Available Room Nights	1,065,600	1,077,440	2,143,040	1,108,968	388,740	376,200	388,740	1,153,680	4,405,688
Occupancy (3% Demand Growth)	37%	62%	49%	87%	65%	40%	29%	45%	58%
Occupied Room Nights	390,969	664,971	1,055,941	962,523	252,636	151,020	113,575	517,231	2,535,694
Average Daily Rate (2.5% Rate Growth)	$94	$126	$114	$168	$124	$110	$116	$118	$135
Rooms Revenue ($000)	$36,932	$83,518	$120,450	$161,363	$31,276	$16,594	$13,163	$61,033	$342,846

2003 ACTUAL RESULTS

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,840	11,840	11,840	12,054	12,540	12,540	12,540	12,540	12,070
Available Room Nights	1,065,600	1,077,440	2,143,040	1,108,968	388,740	376,200	388,740	1,153,680	4,405,688
Occupancy	36%	49%	42%	73%	58%	40%	32%	43%	50%
Occupied Room Nights	383,427	523,278	906,705	814,156	225,469	150,480	125,058	501,007	2,221,868
Average Daily Rate	[illegible]	$116	$106	$140	$121	$107	$114	$115	$120
Rooms Revenue ($000)	$35,[illegible]4	$60,489	$95,864	$114,120	$27,356	$16,058	$14,300	$57,714	$267,698

2004 PKF OUTLOOK AT JANUARY 1, 2004

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	12,540	13,083	12,813	13,172				13,172	12,994
Available Room Nights	1,128,600	1,190,590	2,319,190	1,211,824				1,211,824	4,742,838
Occupany	34%	55%	45%	80%				43%	53%
Occupied Room Nights	381,567	655,483	1,037,050	966,561				526,257	2,529,868
Average Daily Rate	$89	$117	$107	$148				$114	$124
Rooms Revenue ($000)	$34,127	$76,424	$110,551	$142,616				$60,217	$313,384

NIAGARA FALLS 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	-0.5%	-0.5%	-0.5%	1.3%	5.4%	8.0%	8.0%	7.1%	1.9%
Occupancy Points	0.5%	-11.1%	-5.3%	-12.0%	-8.5%	-2.1%	1.5%	-3.2%	-6.5%
Occupied Room Nights	1.0%	-18.9%	-11.6%	-12.9%	-8.1%	2.6%	13.4%	-0.2%	-9.7%
Average Daily Rate	0.1%	-5.7%	-5.0%	-14.3%	0.5%	-0.5%	1.1%	0.1%	-8.7%
Rooms Revenue ($000)	1.1%	-23.5%	-16.0%	-25.3%	-7.7%	2.2%	14.7%	-0.2%	-17.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.7%	-13.2%	-7.0%	-13.4%	-7.0%	-0.1%	3.0%	-1.4%	-7.1%
Occupied Room Nights	-1.9%	-21.3%	-14.1%	-15.4%	-10.8%	-0.4%	10.1%	-3.1%	-12.4%
Average Daily Rate	-2.3%	-8.0%	-7.3%	-16.4%	-2.0%	-2.9%	-1.3%	-2.4%	-10.9%
Rooms Revenue ($000)	-4.2%	-27.6%	-20.4%	-29.3%	-12.5%	-3.2%	8.6%	-5.4%	-21.9%

2003 ACTUAL TO 2004 PKF OUTLOOK

Niagara Falls	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	5.9%	10.5%	8.2%	9.3%				5.0%	7.7%
Occupancy Points	-2.2%	6.5%	2.4%	6.3%				0.0%	2.9%
Occupied Room Nights	-0.5%	25.3%	14.4%	18.7%				5.0%	13.9%
Average Daily Rate	-3.1%	0.9%	0.8%	5.3%				-0.7%	2.8%
Rooms Revenue ($000)	-3.5%	26.3%	15.3%	25.0%				4.3%	17.1%
Variance to 2003 PKF Forecast ($000)	-$1,558	-$23,028	-$24,586	-$47,243	-$3,920	-$536	$1,137	-$3,319	-$75,148
Variance to 2002 Actuals ($000)	$393	-$18,618	-$18,225	-$38,722	-$2,268	$340	$1,832	-$96	-$57,044

5.6 ONTARIO RESORTS

2003 ANNUAL RESULTS

Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Ontario Resort market was 15,301 rooms – with the addition of 389 rooms in 2003.

- PKF estimates no new guest rooms will be added to the inventory in 2004.

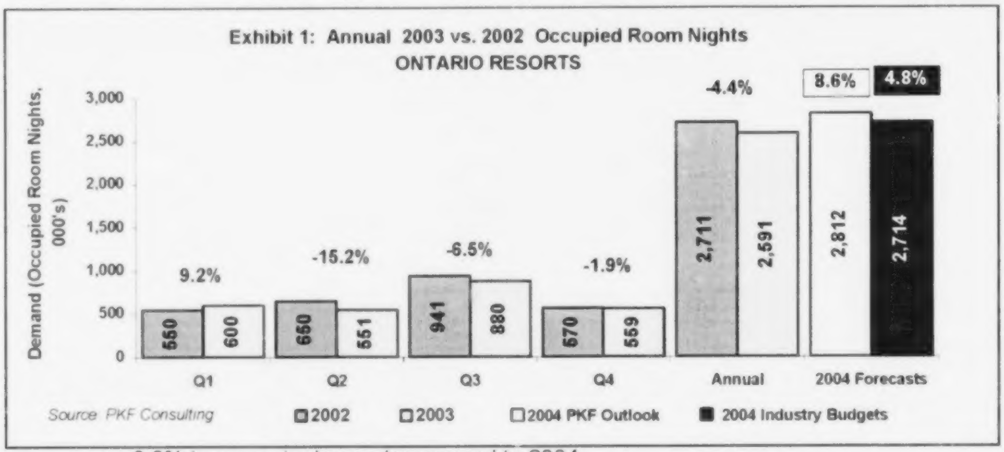
Demand

- During 2003, the Ontario Resort market achieved a 46% occupancy at an average daily rate of $169.

- Demand for hotels rooms in Ontario Resorts was **down by 120,196 room nights in 2003**, compared to 2002.

- On a quarter-by-quarter basis, demand for Ontario Resort room nights improved in quarter 1 by 9.2% while demand declined in quarter 2 by 15.2%, by 6.5% in quarter 2 and by 1.9% in quarter 4.

- Demand is forecasted by PKF to reach 2,812,000 room nights in 2004, which represents an 8.6% increase in demand compared to 2004.



Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to a good start for Ontario Resorts operators with quarter 1 room revenue improving by 15.7%. A year-over-year decline of 19.5%, 8.1% and 5.8% was posted in quarters 2,3, and 4.

- Overall, 2003 room revenue declined by $28 Million (6.2%) compared to 2002 due primarily to a decline in demand.

- PKF forecasts that 2004 room revenue in Ontario Resorts will reach $488 Million, an 11.5% improvement over 2003.

- The Ontario Resort market has budgeted for 49% occupancy at an average rate of $173 equating to a 7.6% increase in room revenue compared to 2003.

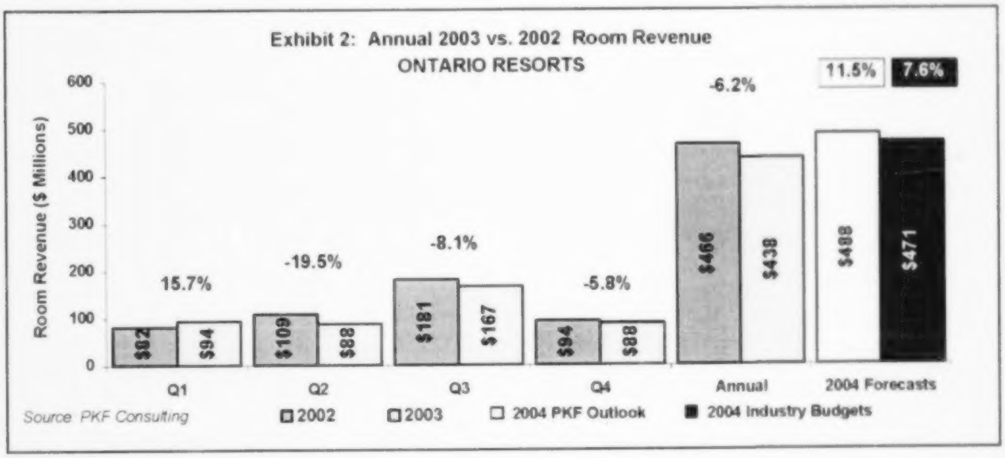


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
ONTARIO RESORTS

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st, Ontario Resorts had pre-booked almost 413,000 room nights for the upcoming months of October, November and December – 3.8% less room nights than were pre- booked over the same time frame last year.

- The fill rate for the industry was 26.1% for this quarter with 5,000 more room nights sold compared to last year during this period.

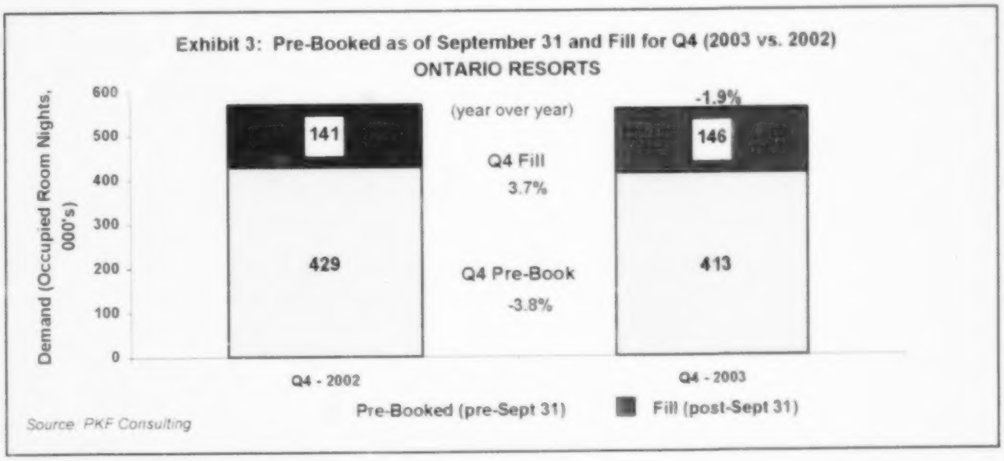


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
ONTARIO RESORTS

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

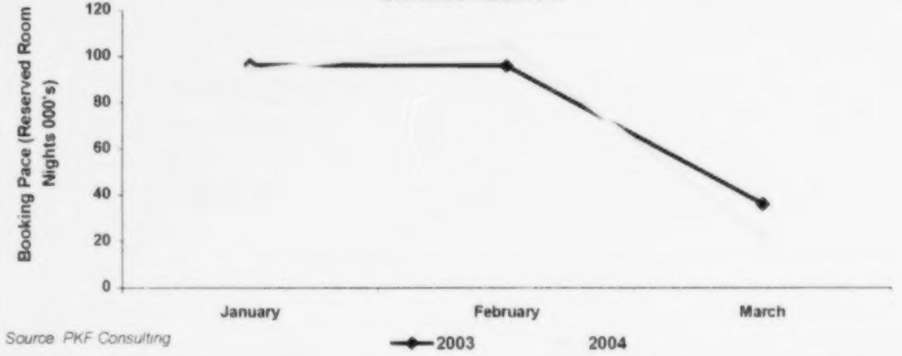
- Ontario Resorts experienced a decline in demand during Quarter 4 with a loss of 11,000 occupied room nights. Ontario Resorts experienced a revenue decline of over $6 Million during Quarter 4. Ontario Resorts reported that economic conditions, at 43%, were the primary reason for the decline.
- Ontario Resorts reported that the majority of lost revenue was due to less domestic travel.
- Ontario Resorts attributed most of their demand erosion to an erosion of leisure travel at 40% and meetings/conventions at 60%.
- Auto travel declines were responsible for the vast majority of lost travellers.

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of December 31, 2002, 229,000 room nights or **38%** of January, February and March's 2003 business was pre-booked. In comparison, as of December 31, 2003, **213,000 room nights** of business were pre-booked for Quarter 1, 2004 – which means that close to **16,000 fewer room nights were pre-booked in Quarter 1 2004** as compared to the same period in 2003.
- This year's **Quarter 1 booking pace is down by 7%** in comparison to last year.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
ONTARIO RESORTS



Source: PKF Consulting

ONTARIO RESORTS

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	14,643	14,643	14,643	15,087	15,175	15,175	15,289	15,213	14,901
Available Room Nights	1,317,870	1,332,513	2,650,383	1,388,939	470,425	455,250	473,959	1,399,634	5,438,956
Occupancy	42%	49%	45%	68%	54%	36%	33%	41%	50%
Occupied Room Nights	549,493	649,051	1,198,544	940,523	251,677	162,980	155,933	570,590	2,709,656
Average Daily Rate	$148	$168	$159	$193	$172	$141	$176	$164	$172
Rooms Revenue ($000)	$81,575	$109,199	$190,774	$181,238	$43,205	$22,984	$27,503	$93,673	$465,685

2003 ACTUAL RESULTS

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289
Available Room Nights	1,376,010	1,391,299	2,767,309	1,406,588	473,959	458,670	473,959	1,406,588	5,580,485
Occupancy	44%	40%	42%	63%	49%	35%	35%	40%	46%
Occupied Room Nights	600,002	550,128	1,150,130	879,760	234,138	160,535	163,990	558,663	2,588,553
Average Daily Rate	$157	$160	$159	$189	$165	$139	$168	$158	$169
Rooms Revenue ($000)	$94,410	$87,934	$182,344	$166,500	$38,569	$22,289	$27,558	$88,397	$437,241

BOOKING PATTERNS

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	228,336	474,149	702,485	606,511	234,861	138,487	56,024	429,372	1,738,368
% Of Rooms Sold	42%	73%	59%	64%	93%	85%	36%	75%	64%
2003 BOOKINGS	213,815	388,131	601,946	593,937	190,217	116,420	106,680	413,317	1,609,200
% Of Rooms Sold	36%	71%	52%	68%	81%	73%	65%	74%	62%
2002/2003 VARIANCE	-6%	-18%	-14%	-2%	-19%	-16%	90%	-4%	-7%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4.4%	4.4%	4.4%	1.3%	0.8%	0.8%	0.0%	0.5%	2.6%
Occupancy Points	1.9%	-9.2%	-3.7%	-5.2%	-4.1%	-0.8%	1.7%	-1.0%	-3.4%
Occupied Room Nights	9.2%	-15.2%	-4.0%	-6.5%	-7.0%	-1.5%	5.2%	-2.1%	-4.5%
Average Daily Rate	6.0%	-5.0%	-0.4%	-1.8%	-4.0%	-1.5%	-4.7%	-3.6%	-1.7%
Rooms Revenue ($000)	15.7%	-19.5%	-4.4%	-8.1%	-10.7%	-3.0%	0.2%	-5.6%	-6.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	2.9%	-8.0%	-2.6%	-5.7%	-4.9%	-1.2%	1.0%	-1.7%	-3.1%
Occupied Room Nights	7.1%	-16.9%	-5.9%	-8.3%	-8.8%	-3.4%	3.1%	-4.0%	-6.3%
Average Daily Rate	3.6%	-7.1%	-2.6%	-4.0%	-6.2%	-3.8%	-6.9%	-5.8%	-3.9%
Rooms Revenue ($000)	10.9%	-22.8%	-8.4%	-12.0%	-14.4%	-7.1%	-4.0%	-9.6%	-10.0%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.0%	-14.6%	-6.8%	-6.8%	-5.4%	-0.3%	-3.4%	-3.0%	-6.9%
Occupied Room Nights	2.4%	-28.9%	-14.1%	-9.8%	-9.8%	-0.8%	-9.0%	-7.1%	-11.2%
Average Daily Rate	-4.6%	-10.4%	-8.1%	-0.9%	-10.8%	11.0%	-0.6%	-8.1%	-5.4%
Rooms Revenue ($000)	-2.3%	-34.5%	-21.0%	-10.6%	-19.5%	-11.7%	-9.5%	-14.7%	-16.0%

REVENUE VARIANCE SUMMARY

ONTARIO RESORTS	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$12,836	-$21,266	-$8,430	-$14,739	-$4,636	-$694	$55	-$5,276	-$28,444
2003 Actual versus 2003 PKF Outlook ($000)	$9,291	-$26,011	-$16,721	-$22,615	-$6,514	-$1,692	-$1,140	-$9,347	-$48,683

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	26%	(3,080)	Business Travel	13%	(1,580)
Local/Regional Economic Conditions	17%	(1,975)	Independent Leisure Travel	27%	(3,260)
Destination Marketing Promotions/Packages	9%	(1,027)	Group Leisure	11%	(1,332)
Increased Supply/Competition	0%	-	Meetings/Convention Travel	48%	(5,757)
Geopolitical Reasons (Iraq War, Residual 9/11)	0%	-	Government	0%	-
Fear/Impacts Associated with SARS	0%	-	Other	0%	-
Other Reasons	49%	(5,848)			
Total	**100%**	**(11,929)**	**Total**	**100%**	**(11,929)**
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	91%	(10,840)	Air	1%	(102)
US Travel	9%	(1,090)	Automobile	98%	(11,633)
Overseas Travel	0%	-	Motorcoach	2%	(194)
			Other	0%	-
Total	**100%**	**(11,929)**	**Total**	**100%**	**(11,929)**

ONTARIO RESORTS

2004 OUTLOOK

2003 ACTUAL RESULTS

ONTARIO RESORTS	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289
Available Room Nights	473,959	428,092	473,959	1,376,010	1,391,299	2,767,309	1,406,588	1,406,588	5,580,485
Occupancy	41%	51%	40%	44%	40%	42%	63%	40%	46%
Occupied Room Nights	195,271	217,043	187,688	600,002	550,128	1,150,130	879,780	558,660	2,588,570
Average Daily Rate	$155	$160	$156	$157	$160	$159	$189	$158	$169
Rooms Revenue ($000)	$30,312	$34,770	$29,328	$94,410	$87,934	$182,344	$166,500	$88,397	$437,241

2004 PKF OUTLOOK AT JANUARY 1, 2004

ONTARIO RESORTS	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289
Available Room Nights	473,959	428,092	473,959	1,376,010	1,391,299	2,767,309	1,406,588	1,406,588	5,580,485
Occupancy	41%	51%	40%	44%	48%	46%	68%	41%	50%
Occupied Room Nights	194,323	218,327	189,584	602,234	672,716	1,274,950	962,443	572,878	2,810,271
Average Daily Rate	$160	$160	$160	$160	$163	$162	$196	$162	$174
Rooms Revenue ($000)	$31,092	$34,932	$30,333	$96,357	$109,683	$206,041	$188,762	$92,894	$487,697

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

ONTARIO RESORTS	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289	15,289
Available Room Nights	473,959	428,092	473,959	1,376,010	1,391,299	2,767,309	1,406,588	1,406,588	5,580,485
Occupancy	38%	49%	40%	42%	41%	42%	69%	42%	49%
Occupied Room Nights	179,626	208,417	187,282	575,325	574,561	1,149,886	972,208	590,299	2,712,393
Average Daily Rate	$154	$153	$144	$151	$162	$156	$198	$166	$173
Rooms Revenue ($000)	$27,733	$31,907	$27,043	$86,684	$93,091	$179,775	$192,470	$98,276	$470,521

2004 BOOKING PATTERNS

ONTARIO RESORTS	January	February	March	1st Quarter
2003 BOOKINGS	96,380	95,862	36,094	228,336
% Of Rooms Sold	49%	44%	19%	38%
2004 BOOKINGS	94,057	104,998	22,098	212,677
% Of Rooms Sold	48%	49%	12%	35%
2003/2004 VARIANCE	-2%	10%	-39%	-7%

2004 PKF OUTLOOK versus 2003 ACTUAL

ONTARIO RESORTS	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	-0.2%	0.3%	0.4%	0.2%	8.8%	4.5%	5.9%	1.0%	4.0%
Occupied Room Nights	-0.5%	0.6%	1.0%	0.4%	22.3%	10.9%	9.4%	2.5%	8.6%
Average Daily Rate	3.1%	-0.1%	2.4%	1.7%	2.0%	1.9%	3.6%	2.5%	2.7%
Rooms Revenue ($000)	2.6%	0.5%	3.4%	2.1%	24.7%	13.0%	13.4%	5.1%	11.5%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

ONTARIO RESORTS	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-3.3%	-2.0%	-0.1%	-1.8%	1.8%	0.0%	6.6%	2.2%	2.2%
Occupied Room Nights	-8.0%	-4.0%	-0.2%	-4.1%	4.4%	0.0%	10.5%	5.7%	4.8%
Average Daily Rate	-0.5%	-4.4%	-7.6%	-4.2%	1.4%	-1.4%	4.6%	5.2%	2.7%
Rooms Revenue ($000)	-8.5%	-8.2%	-7.8%	-8.2%	5.9%	-1.4%	15.6%	11.2%	7.6%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

5.7 SOUTHERN ONTARIO MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Southern Ontario accommodation market averaged 27,881 rooms in 2003 – a 1.4% increase over 2002, due to the addition of 459 new rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002 Occ.	Annual 2002 ADR	Annual 2003 Occ.	Annual 2003 ADR	% Change Demand	% Change ADR	Annual 2004 PKF Outlook	
London	58%	$93	58%	$93	1%	-1%	57%	$96
KW/Cambridge/Guelph	63%	$92	62%	$93	-2%	1%	63%	$96
Niagara Falls	57%	$132	51%	$121	-9%	-8%	53%	$124
Other Niagara Region	51%	$89	49%	$87	-5%	-2%	51%	$90
Other Southern Ontario	53%	$92	49%	$93	-5%	1%	51%	$96
Total Southern Ontario	**58%**	**$106**	**54%**	**$102**	**-4%**	**-4%**	**56%**	**$106**

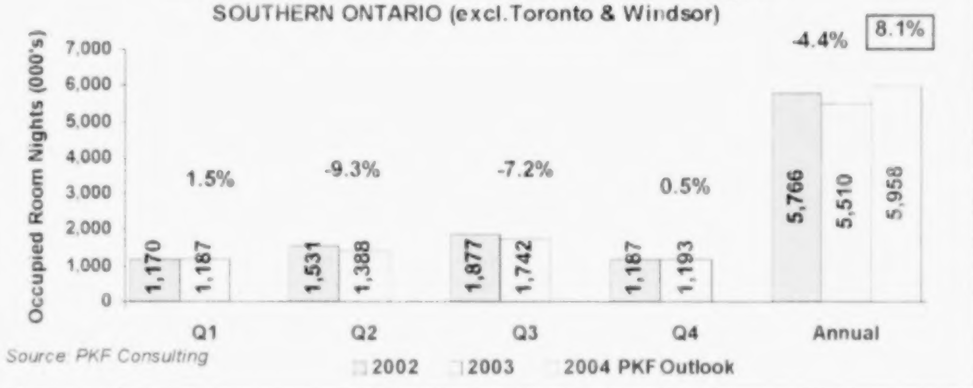
Source: PKF Consulting

- Southern Ontario's market achieved 54% occupancy at an average daily rate of $102 in 2003. Occupancy levels were down by 4 percentage points, with the average daily rate down by $4 from 2002.

- Demand for Southern Ontario hotels was **up approximately 5,300 room nights or 0.4% in Quarter 4 2003**, as compared to the same period in 2002.

- On a month-to-month basis, demand for room nights in Southern Ontario Hotels increased 0.7% in October, 0.1% in November and 0.6% in December.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
SOUTHERN ONTARIO (excl.Toronto & Windsor)



Source: PKF Consulting

5.7 SOUTHERN ONTARIO MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Southern Ontario accommodation market averaged 27,881 rooms in 2003 – a 1.4% increase over 2002, due to the addition of 459 new rooms.

Provincial Demand

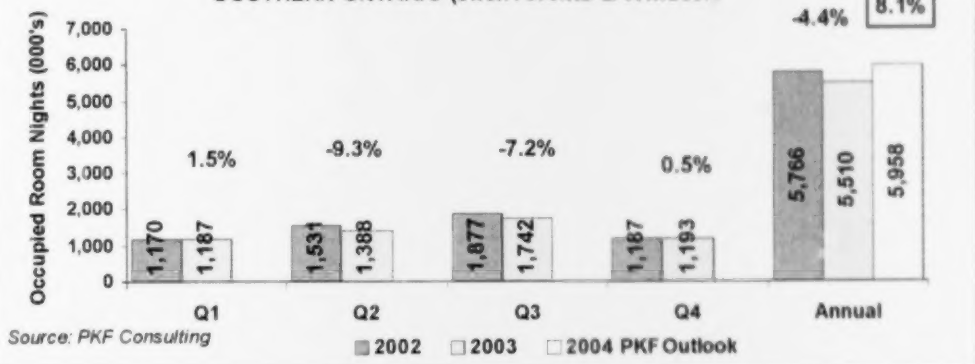
Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004 PKF Outlook	
Market	Occ	ADR	Occ	ADR	Demand	ADR		
London	58%	$93	58%	$93	1%	-1%	57%	$96
KW/Cambridge/Guelph	63%	$92	62%	$93	-2%	1%	63%	$96
Niagara Falls	57%	$132	51%	$121	-9%	-8%	53%	$124
Other Niagara Region	51%	$89	49%	$87	-5%	-2%	51%	$90
Other Southern Ontario	53%	$92	49%	$93	-5%	1%	51%	$96
Total Southern Ontario	**58%**	**$106**	**54%**	**$102**	**-4%**	**-4%**	**56%**	**$106**

Source: PKF Consulting

- Southern Ontario's market achieved 54% occupancy at an average daily rate of $102 in 2003. Occupancy levels were down by 4 percentage points, with the average daily rate down by $4 from 2002.
- Demand for Southern Ontario hotels was **up approximately 5,300 room nights or 0.4% in Quarter 4 2003**, as compared to the same period in 2002.
- On a month-to-month basis, demand for room nights in Southern Ontario Hotels increased 0.7% in October, 0.1% in November and 0.6% in December.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
SOUTHERN ONTARIO (excl.Toronto & Windsor)



Source: PKF Consulting

Room Revenue

- Overall, Quarter 4 room revenue was up by almost $2 Million (1.7%) compared to the same period last year. Overall rooms revenue was down 8.5% in 2003.
- On the basis of an 8.1% recovery in demand, offset by a 4.3% increase in supply and with a 4.0% increase in average daily rates, PKF is projecting a 12.9% increase in revenue for 2004.

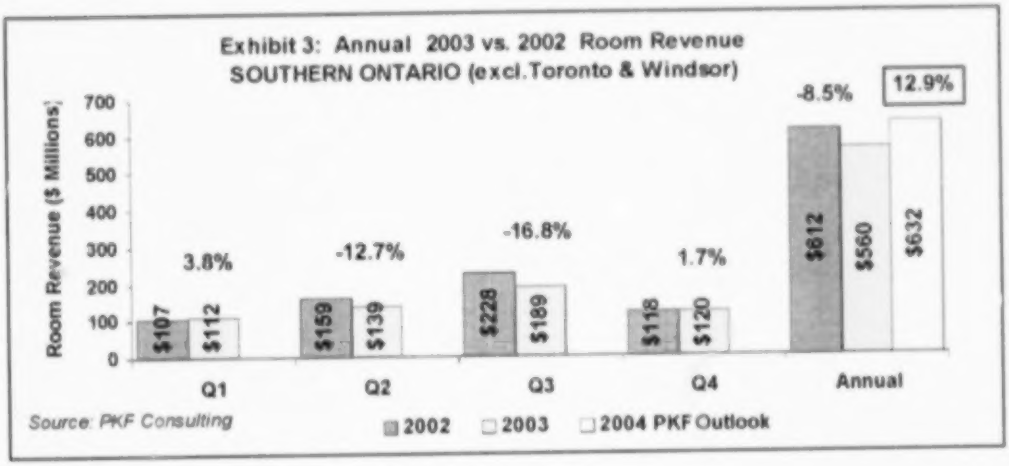


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
SOUTHERN ONTARIO (excl.Toronto & Windsor)

Source: PKF Consulting

TOTAL SOUTHERN ONTARIO 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	28,232	28,254	28,243	28,243	25,518	25,229	25,229	25,327	27,508
Available Room Nights	2,540,880	2,571,125	5,112,005	2,598,357	791,062	756,874	782,100	2,330,036	10,040,410
Occupancy	46%	60%	53%	72%	63%	51%	39%	51%	58%
Occupied Room Nights	1,171,910	1,533,706	2,705,616	1,880,142	495,205	387,519	305,088	1,187,822	5,773,580
Average Daily Rate	$92	$104	$98	$121	$104	$97	$95	$99	$106
Rooms Revenue ($000)	$107,465	$159,131	$266,597	$227,681	$51,333	$37,477	$29,030	$117,840	$612,097

2003 PKF OUTLOOK AT JANUARY 1, 2003

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	28,227	28,303	28,265	28,681	26,323	26,323	26,323	26,323	27,881
Available Room Nights	2,540,441	2,575,538	5,115,979	2,638,687	816,025	789,701	816,025	2,421,751	10,176,417
Occupancy (2% Demand Growth)	47%	61%	54%	73%	62%	50%	38%	50%	58%
Occupied Room Nights	1,195,340	1,564,380	2,759,720	1,917,765	505,109	395,270	311,200	1,211,579	5,889,062
Average Daily Rate (2% Rate Growth)	$94	$106	$101	$124	$106	$99	$97	$101	$108
Rooms Revenue ($000)	$111,907	$165,540	$277,367	$236,859	$53,407	$38,991	$30,203	$122,601	$636,826

2003 ACTUAL RESULTS

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	28,227	28,303	28,265	28,681	26,323	26,323	26,323	26,323	27,881
Available Room Nights	2,540,434	2,575,573	5,116,007	2,638,687	816,025	789,701	816,025	2,421,751	10,176,445
Occupancy	47%	54%	51%	65%	61%	49%	38%	49%	54%
Occupied Room Nights	1,197,084	1,390,165	2,587,249	1,712,511	498,591	387,743	308,825	1,180,160	5,482,919
Average Daily Rate	$93	$100	$97	$111	$105	$97	$98	$100	$102
Rooms Revenue ($000)	$111,562	$138,894	$250,456	$189,492	$52,212	$37,441	$30,179	$119,832	$559,780

2004 PKF OUTLOOK AT JANUARY 1, 2004

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter				4th Quarter	Annua
Inventory	29,090	29,872	29,483	30,206				27,362	29,131
Available Room Nights	2,618,134	2,718,368	5,336,502	2,778,919				2,517,271	10,632,692
Occupancy	46%	58%	52%	70%				49%	56%
Occupied Room Nights	1,209,869	1,566,439	2,776,308	1,946,140				1,233,463	5,957,920
Average Daily Rate	$92	$104	$98	$121				$99	$106
Rooms Revenue ($000)	$110,886	$162,894	$273,780	$236,679				$122,386	$631,843

TOTAL SOUTHERN ONTARIO 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter	October	November	December	4th Quarter	Annua
Inventory	0.0%	0.2%	0.1%	1.6%	3.2%	4.3%	4.3%	3.9%	1.4%
Occupancy Points	1.0%	-5.7%	-2.4%	-7.5%	-1.5%	-2.1%	-1.4%	-1.7%	-3.6%
Occupied Room Nights	2.1%	-9.4%	-4.4%	-8.9%	0.7%	0.1%	0.6%	0.4%	-4.9%
Average Daily Rate	1.6%	-3.7%	-1.8%	-8.6%	1.0%	-0.2%	3.4%	1.2%	-3.9%
Rooms Revenue ($000)	3.8%	-12.7%	-6.1%	-16.8%	1.7%	-0.1%	4.0%	1.7%	-8.5%

2003 ACTUAL TO 2003 PKF OUTLOOK

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter	October	November	December	4th Quarter	Annua
Occupancy Points	0.1%	-6.8%	-3.4%	-7.8%	-0.8%	-1.0%	-0.5%	-0.8%	-3.9%
Occupied Room Nights	0.1%	-11.1%	-6.2%	-10.7%	-1.3%	-1.9%	-1.4%	-1.5%	-6.7%
Average Daily Rate	-0.4%	-5.6%	-3.7%	-10.4%	-1.0%	-2.1%	1.3%	-0.7%	-5.8%
Rooms Revenue ($000)	-0.2%	-16.1%	-9.7%	-20.0%	-2.2%	-4.0%	-0.1%	-2.3%	-12.1%

2003 ACTUAL TO 2004 PKF OUTLOOK

SOUTHERN ONTARIO (excl.Toronto & Windsor)	1st Quarter	2nd Quarter	1st Hal	3rd Quarter				4th Quarter	Annua
Inventory	3.1%	5.5%	4.3%	5.3%				3.9%	4.5%
Occupancy Points	-0.9%	3.7%	1.5%	5.1%				-0.3%	2.1%
Occupied Room Nights	1.1%	12.8%	7.4%	13.6%				3.4%	8.5%
Average Daily Rate	-1.7%	3.9%	1.8%	9.4%				-1.2%	4.1%
Rooms Revenue ($000)	-0.6%	17.3%	9.3%	24.4%				2.1%	12.9%
Variance to 2003 PKF Forecast ($000)	-$345	-$26,646	-$26,911	-$47,367	-$1,194	-$1,551	-$24	-$2,769	-$77,046
Variance to 2002 Actuals ($000)	$4,097	-$20,237	-$16,141	-$38,189	$880	-$36	$1,149	$1,992	-$52,318

LONDON 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,671	2,671	2,671	2,671	2,671	2,671	2,671	2,671	2,671
Available Room Nights	240,390	243,061	483,451	245,732	82,801	80,130	82,801	245,732	974,915
Occupancy	54%	59%	56%	64%	61%	59%	42%	54%	58%
Occupied Room Nights	128,913	143,887	272,800	157,440	50,757	47,107	35,041	132,905	563,145
Average Daily Rate	$91	$94	$92	$96	$94	$93	$89	$92	$93
Rooms Revenue ($000)	$11,704	$13,484	$25,187	$15,171	$4,792	$4,380	$3,102	$12,274	$52,632

2003 PKF OUTLOOK AT JANUARY 1, 2003

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,671	2,671	2,671	2,671	2,671	2,671	2,671	2,671	2,671
Available Room Nights	240,390	243,061	483,451	245,732	82,801	80,130	82,801	245,732	974,915
Occupancy	55%	60%	58%	65%	63%	60%	43%	55%	59%
Occupied Room Nights (2% Demand Growth)	131,491	146,765	278,256	160,588	51,772	48,141	35,742	135,655	574,499
Average Daily Rate (2% Rate Growth)	$93	$96	$94	$98	$96	$95	$90	$94	$95
Rooms Revenue ($000)	$12,177	$14,028	$26,205	$15,784	$4,986	$4,557	$3,227	$12,770	$54,759

2003 ACTUAL RESULTS

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2,671	2,671	2,671	2,671	2,671	2,671	2,671	2,671	2,671
Available Room Nights	240,390	243,061	483,451	245,732	82,801	80,130	82,801	245,732	974,915
Occupancy	55%	57%	56%	62%	69%	64%	46%	59%	58%
Occupied Room Nights	132,813	138,376	271,189	152,387	56,801	50,883	37,782	145,466	569,042
Average Daily Rate	$94	$92	$93	$93	$94	$93	$89	$92	$93
Rooms Revenue ($000)	$12,439	$12,710	$25,150	$14,110	$5,347	$4,711	$3,344	$13,402	$52,661

2004 PKF OUTLOOK AT JANUARY 1, 2004

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	2,671	2,751	2,711	2,791				2,791	2,752
Available Room Nights	240,390	250,341	490,731	256,772				256,772	1,004,315
Occupancy	55%	57%	56%	60%				57%	57%
Occupied Room Nights (2% Demand Growth)	133,136	143,100	276,236	153,379				146,593	576,208
Average Daily Rate	$94	$97	$95	$99				$96	$96
Rooms Revenue ($000)	$12,473	$13,832	$26,304	$15,218				$14,030	$55,552

LONDON 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	1.6%	-2.3%	-0.3%	-2.1%	7.3%	4.6%	3.3%	5.1%	0.6%
Occupied Room Nights	3.0%	-3.8%	-0.6%	-3.2%	11.9%	7.8%	7.8%	9.4%	1.0%
Average Daily Rate	3.2%	-2.0%	0.4%	-3.9%	-0.3%	-0.2%	0.0%	-0.2%	-1.0%
Rooms Revenue ($000)	6.3%	-5.7%	-0.2%	-7.0%	11.6%	7.6%	7.8%	9.2%	0.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.5%	-3.5%	-1.5%	-3.3%	6.1%	3.4%	2.5%	4.0%	-0.6%
Occupied Room Nights	1.0%	-5.7%	-2.5%	-5.1%	9.7%	5.7%	5.7%	7.2%	-0.9%
Average Daily Rate	1.1%	-3.9%	-1.5%	-5.8%	-2.3%	-2.2%	-2.0%	-2.1%	-2.9%
Rooms Revenue ($000)	2.2%	-9.4%	-4.0%	-10.6%	7.2%	3.4%	3.6%	4.9%	-3.8%

2003 ACTUAL TO 2004 PKF OUTLOOK

London	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	3.0%	1.5%	4.5%				4.5%	3.0%
Occupancy Points	0.1%	0.2%	0.2%	-2.3%				-2.1%	-1.0%
Occupied Room Nights	0.2%	3.4%	1.9%	0.6%				0.8%	1.3%
Average Daily Rate	0.0%	5.2%	2.7%	7.2%				3.9%	4.2%
Rooms Revenue ($000)	0.3%	8.8%	4.6%	7.9%				4.7%	5.5%
Variance to 2003 PKF Forecast ($000)	$262	-$1,318	-$1,055	-$1,674	$361	$154	$117	$632	-$2,098
Variance to 2002 Actuals ($000)	$735	-$773	-$38	-$1,061	$555	$331	$242	$1,129	$29

K/W/CAMBRIDGE GUELPH 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004
Available Room Nights	270,360	273,364	543,724	276,368	93,124	90,120	93,124	276,368	1,096,460
Occupancy	55%	63%	59%	72%	71%	65%	47%	61%	63%
Occupied Room Nights	148,590	171,758	320,347	200,140	66,118	58,578	43,815	168,511	688,998
Average Daily Rate	$92	$92	$92	$92	$93	$94	$85	$91	$92
Rooms Revenue ($000)	$13,613	$15,885	$29,497	$18,342	$6,170	$5,480	$3,708	$15,359	$63,198

2003 PKF OUTLOOK AT JANUARY 1, 2003

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004
Available Room Nights	270,360	273,364	543,724	276,368	93,124	90,120	93,124	276,368	1,096,460
Occupancy (2% Demand Growth)	56%	64%	60%	74%	72%	66%	48%	62%	64%
Occupied Room Nights	151,562	175,193	326,754	204,143	67,440	59,750	44,691	171,881	702,778
Average Daily Rate (2% Rate Growth)	$93	$94	$94	$93	$95	$95	$86	$93	$94
Rooms Revenue ($000)	$14,163	$16,527	$30,689	$19,083	$6,419	$5,701	$3,858	$15,979	$65,752

2003 ACTUAL RESULTS

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,004
Available Room Nights	270,360	273,364	543,724	276,368	93,124	90,120	93,124	276,368	1,096,460
Occupancy	56%	63%	60%	66%	73%	64%	47%	61%	62%
Occupied Room Nights	152,273	171,335	323,608	183,014	67,794	58,037	43,798	169,628	676,249
Average Daily Rate	$93	$92	$92	$92	$96	$95	$91	$94	$93
Rooms Revenue ($000)	$14,127	$15,783	$29,909	$16,896	$6,517	$5,516	$3,972	$16,005	$62,811

2004 PKF OUTLOOK AT JANUARY 1, 2004

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	3,004	3,086	3,045	3,127				3,127	3,087
Available Room Nights	270,360	280,867	551,227	287,684				287,684	1,126,595
Occupany	57%	63%	60%	72%				59%	63%
Occupied Room Nights	154,508	176,463	330,970	208,335				169,640	708,945
Average Daily Rate	$95	$96	$96	$96				$95	$96
Rooms Revenue ($000)	$14,743	$16,985	$31,727	$20,012				$16,164	$67,904

K/W CAMBRIDGE GUELPH 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	1.4%	-0.2%	0.6%	-6.2%	1.8%	-0.6%	0.0%	0.4%	-1.2%
Occupied Room Nights	2.5%	-0.2%	1.0%	-8.6%	2.5%	-0.9%	0.0%	0.7%	-1.9%
Average Daily Rate	1.3%	-0.4%	0.4%	0.7%	3.0%	1.6%	7.2%	3.5%	1.3%
Rooms Revenue ($000)	3.8%	-0.6%	1.4%	-7.9%	5.6%	0.7%	7.1%	4.2%	-0.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.3%	-1.4%	-0.6%	-7.6%	0.4%	-1.9%	-1.0%	-0.8%	-2.4%
Occupied Room Nights	0.5%	-2.2%	-1.0%	-10.4%	0.5%	-2.9%	-2.0%	-1.3%	-3.8%
Average Daily Rate	-0.7%	-2.4%	-1.6%	-1.2%	1.0%	-0.4%	5.1%	1.5%	-0.7%
Rooms Revenue ($000)	-0.3%	-4.5%	-2.5%	-11.5%	1.5%	-3.3%	3.0%	0.2%	-4.5%

2003 ACTUAL TO 2004 PKF OUTLOOK

KW Cambridge Guelph	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	2.7%	1.4%	4.1%				4.1%	2.7%
Occupancy Points	0.8%	0.2%	0.5%	6.2%				-2.4%	1.3%
Occupied Room Nights	1.5%	3.0%	2.3%	13.8%				0.0%	4.8%
Average Daily Rate	2.9%	4.5%	3.7%	4.0%				1.0%	3.1%
Rooms Revenue ($000)	4.4%	7.6%	6.1%	18.4%				1.0%	8.1%
Variance to 2003 PKF Forecast ($000)	*-$36*	*-$744*	*-$780*	*-$2,187*	*$98*	*-$185*	*$114*	*$26*	*-$2,941*
Variance to 2002 Actuals ($000)	*$514*	*-$102*	*$412*	*-$1,446*	*$347*	*$36*	*$264*	*$647*	*-$387*

OTHER NIAGARA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968
Available Room Nights	177,120	179,088	356,208	181,056	61,008	59,040	61,008	181,056	718,320
Occupancy	40%	50%	45%	68%	57%	44%	36%	45%	51%
Occupied Room Nights	70,972	90,169	161,141	123,341	34,531	25,978	21,780	82,289	366,770
Average Daily Rate	$78	$88	$83	$97	$90	$85	$83	$87	$89
Rooms Revenue ($000)	$5,523	$7,928	$13,451	$12,020	$3,104	$2,215	$1,809	$7,127	$32,598

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968
Available Room Nights	177,120	179,088	356,208	181,056	61,008	59,040	61,008	181,056	718,320
Occupancy (2% Demand Growth)	41%	51%	46%	69%	58%	45%	36%	46%	52%
Occupied Room Nights	72,391	91,972	164,363	125,808	35,221	26,497	22,215	83,934	374,105
Average Daily Rate (2% Rate Growth)	$79	$90	$85	$99	$92	$87	$85	$88	$91
Rooms Revenue ($000)	$5,746	$8,248	$13,994	$12,505	$3,229	$2,304	$1,882	$7,415	$33,915

2003 ACTUAL RESULTS

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968
Available Room Nights	177,120	179,088	356,208	181,056	61,008	59,040	61,008	181,056	718,320
Occupancy	41%	52%	46%	58%	61%	40%	30%	44%	49%
Occupied Room Nights	72,783	92,784	165,566	104,741	36,910	23,793	18,534	79,237	349,544
Average Daily Rate	$80	$88	$85	$92	$87	$81	$81	$84	$87
Rooms Revenue ($000)	$5,844	$8,178	$14,022	$9,669	$3,201	$1,938	$1,505	$6,644	$30,335

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1,968	1,968	1,968	1,968				1,968	1,968
Available Room Nights	177,120	179,088	356,208	181,056				181,056	718,320
Occupany	41%	55%	48%	65%				44%	51%
Occupied Room Nights	72,783	98,597	171,379	118,385				79,237	369,001
Average Daily Rate	$79	$88	$84	$99				$88	$90
Rooms Revenue ($000)	$5,743	$8,714	$14,457	$11,666				$6,962	$33,085

OTHER NIAGARA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	1.0%	1.5%	1.2%	-10.3%	3.9%	-3.7%	-5.3%	-1.7%	-2.4%
Occupied Room Nights	2.6%	2.9%	2.7%	-15.1%	6.9%	-8.4%	-14.9%	-3.7%	-4.7%
Average Daily Rate	3.2%	0.2%	1.5%	-5.3%	-3.5%	-4.4%	-2.3%	-3.2%	-2.4%
Rooms Revenue ($000)	5.8%	3.2%	4.2%	-19.6%	3.1%	-12.4%	-16.8%	-6.8%	-6.9%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.2%	0.5%	0.3%	-11.6%	2.8%	-4.6%	-6.0%	-2.6%	-3.4%
Occupied Room Nights	0.5%	0.9%	0.7%	-16.7%	4.8%	-10.2%	-16.6%	-5.6%	-6.6%
Average Daily Rate	1.2%	-1.7%	-0.5%	-7.1%	-5.4%	-6.3%	-4.2%	-5.1%	-4.3%
Rooms Revenue ($000)	1.7%	-0.9%	0.2%	-22.7%	-0.9%	-15.8%	-20.1%	-10.4%	-10.6%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Niagara Region	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	3.2%	1.6%	7.5%				0.0%	2.7%
Occupied Room Nights	0.0%	6.3%	3.5%	13.0%				0.0%	5.6%
Average Daily Rate	-1.7%	0.3%	-0.4%	6.8%				4.8%	3.3%
Rooms Revenue ($000)	-1.7%	6.6%	3.1%	20.7%				4.8%	9.1%
Variance to 2003 PKF Forecast ($000)	$98	-$70	$28	-$2,836	-$28	-$365	-$378	-$771	-$3,579
Variance to 2002 Actuals ($000)	$321	$250	$571	-$2,351	$97	-$276	-$305	-$483	-$2,262

OTHER SOUTHERN ONTARIO 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,966	5,988	5,977	5,977	5,977	5,977	5,977	5,977	5,977
Available Room Nights	536,940	544,919	1,081,859	549,895	185,291	179,314	185,291	549,895	2,181,649
Occupancy	43%	55%	49%	64%	56%	50%	39%	48%	53%
Occupied Room Nights	230,950	298,022	528,972	352,202	103,392	89,478	72,634	265,504	1,146,678
Average Daily Rate	$88	$91	$90	$97	$93	$90	$89	$91	$92
Rooms Revenue ($000)	$20,325	$27,070	$47,395	$33,995	$9,636	$8,058	$6,451	$24,146	$105,536

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,019	6,045	6,032	6,110	6,140	6,140	6,140	6,140	6,079
Available Room Nights	541,721	550,140	1,091,861	562,155	190,352	184,211	190,352	564,915	2,218,931
Occupancy (2% Demand Growth)	43%	55%	49%	64%	55%	50%	39%	48%	53%
Occupied Room Nights	235,569	303,983	539,551	359,246	105,460	91,267	74,087	270,814	1,169,611
Average Daily Rate (2% Rate Growth)	$90	$93	$91	$98	$95	$92	$91	$93	$94
Rooms Revenue ($000)	$21,146	$28,164	$49,310	$35,368	$10,025	$8,384	$6,712	$25,121	$109,799

2003 ACTUAL RESULTS

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,019	6,045	6,032	6,110	6,140	6,140	6,140	6,140	6,079
Available Room Nights	541,721	550,140	1,091,861	562,155	190,352	184,211	190,352	564,915	2,218,931
Occupancy	44%	48%	46%	58%	58%	47%	36%	47%	49%
Occupied Room Nights	236,184	266,486	502,670	326,655	109,643	86,211	67,575	263,428	1,092,753
Average Daily Rate	$88	$92	$90	$96	$99	$91	$90	$94	$93
Rooms Revenue ($000)	$20,872	$24,520	$45,392	$31,277	$10,905	$7,812	$6,096	$24,813	$101,481

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	6,182	6,209	6,196	6,274				6,304	6,243
Available Room Nights	556,414	564,997	1,121,411	577,175				579,935	2,278,521
Occupany	43%	55%	49%	61%				46%	51%
Occupied Room Nights	237,156	312,465	549,622	354,273				268,598	1,172,492
Average Daily Rate	$92	$95	$94	$100				$95	$96
Rooms Revenue ($000)	$21,846	$29,590	$51,436	$35,586				$25,492	$112,515

OTHER SOUTHERN ONTARIO 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.9%	1.0%	0.9%	2.2%	2.7%	2.7%	2.7%	2.7%	1.7%
Occupancy Points	0.6%	-6.3%	-2.9%	-5.9%	1.8%	-3.1%	-3.7%	-1.7%	-3.3%
Occupied Room Nights	2.3%	-10.6%	-5.0%	-7.3%	6.0%	-3.7%	-7.0%	-0.8%	-4.7%
Average Daily Rate	0.4%	1.3%	0.8%	-0.8%	6.7%	0.6%	1.6%	3.6%	0.9%
Rooms Revenue ($000)	2.7%	-9.4%	-4.2%	-8.0%	13.2%	-3.1%	-5.5%	2.8%	-3.8%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.1%	-6.8%	-3.4%	-5.8%	2.2%	-2.7%	-3.4%	-1.3%	-3.5%
Occupied Room Nights	0.3%	-12.3%	-6.8%	-9.1%	4.0%	-5.5%	-8.8%	-2.7%	-6.6%
Average Daily Rate	-1.6%	-0.7%	-1.2%	-2.7%	4.6%	-1.[illegible]%	-0.4%	1.5%	-1.1%
Rooms Revenue ($000)	-1.3%	-12.9%	-7.9%	-11.6%	8.8%	-6.8%	-9.2%	-1.2%	-7.6%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Southern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	2.7%	2.7%	2.7%	2.7%				2.7%	2.7%
Occupancy Points	-1.0%	6.9%	3.0%	3.3%				-0.3%	2.2%
Occupied Room Nights	0.4%	17.3%	9.3%	8.5%				2.0%	7.3%
Average Daily Rate	4.2%	2.9%	3.6%	4.9%				0.8%	3.3%
Rooms Revenue ($000)	4.7%	20.7%	13.3%	13.8%				2.7%	10.9%
Variance to 2003 PKF Forecast ($000)	*-$274*	*-$3,644*	*-$3,918*	*-$4,091*	*$880*	*-$572*	*-$616*	*-$309*	*-$8,318*
Variance to 2002 Actuals ($000)	*$547*	*-$2,551*	*-$2,003*	*-$2,718*	*$1,269*	*-$247*	*-$355*	*$667*	*-$4,054*

5.8 EASTERN ONTARIO MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Eastern Ontario accommodation market averaged 8,290 rooms in 2003 – with no increase over 2002.

Provincial Demand

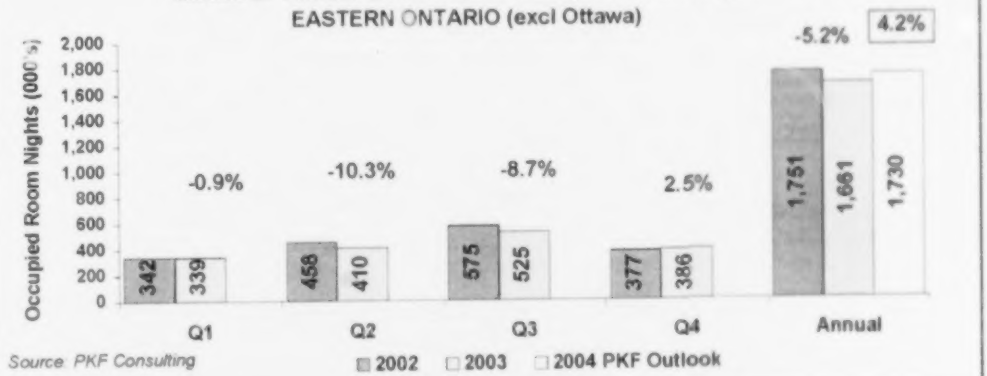
Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Kingston	61%	$100	59%	$103	-4%	3%	61%	$106
Other Eastern Ontario	56%	$87	53%	$88	-6%	1%	56%	$91
Total Eastern Ontario	**58%**	**$92**	**55%**	**$93**	**-5%**	**2%**	**57%**	**$96**

Source: PKF Consulting

- Eastern Ontario's hotel market achieved a 55% occupancy at an average daily rate of $93. Occupancy levels were down by 3 percentage points, while the average daily rate up by $1 from 2002.
- Demand for Eastern Ontario hotels was **up approximately 9,500 room nights or 2.5% in Quarter 4 2003**, as compared to the same period in 2002.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
EASTERN ONTARIO (excl Ottawa)



Source: PKF Consulting

Room Revenue

- Overall, quarter 4 rooms revenue was up $2.0 Million or 5.7%, but was down $5.0 Million or 3.4% for the year.
- On the basis of a 4.2% increase in demand and a 2.4% increase in average daily rates in 2004, PKF is projecting a 6.6% increase in room revenue for the year.

5.8 EASTERN ONTARIO MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Eastern Ontario accommodation market averaged 8,290 rooms in 2003 – with no increase over 2002

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Kingston	61%	$100	59%	$103	-4%	3%	61%	$106
Other Eastern Ontario	56%	$87	53%	$88	-6%	1%	56%	$91
Total Eastern Ontario	**58%**	**$92**	**55%**	**$93**	**-5%**	**2%**	**57%**	**$96**

Source: PKF Consulting

- Eastern Ontario's hotel market achieved a 55% occupancy at an average daily rate of $93. Occupancy levels were down by 3 percentage points, while the average daily rate up by $1 from 2002.
- Demand for Eastern Ontario hotels was **up approximately 9,500 room nights or 2.5% in Quarter 4 2003**, as compared to the same period in 2002.

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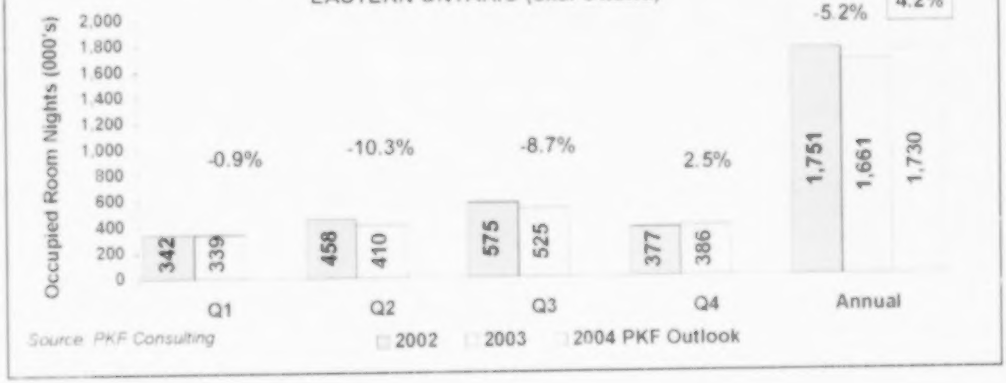

Source: PKF Consulting

Room Revenue

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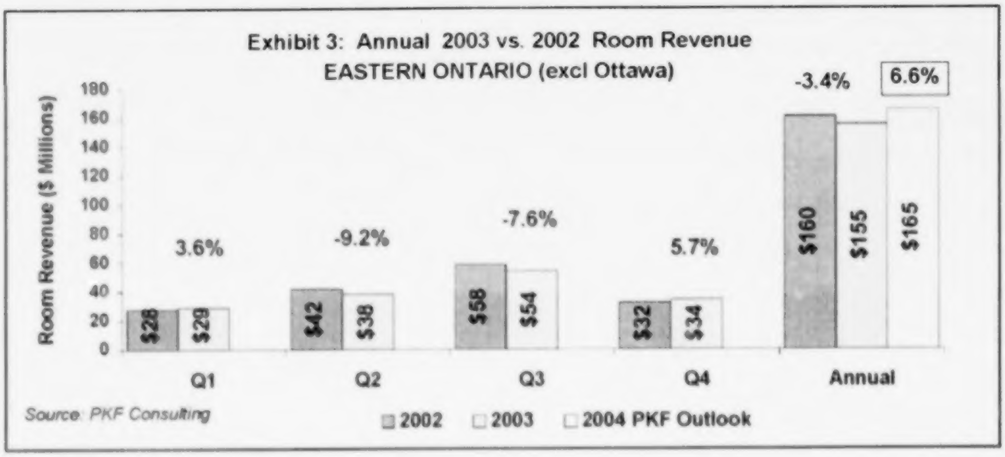


Source: PKF Consulting

EASTERN ONTARIO 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	8,290	8,290	8,290	8,290	8,290	8,290	8,290	8,290	8,290
Available Room Nights	746,100	754,390	1,500,490	762,680	256,990	248,700	256,990	762,680	3,025,850
Occupancy	46%	61%	53%	75%	63%	51%	35%	50%	58%
Occupied Room Nights	342,087	457,539	799,626	575,219	161,133	126,340	90,124	377,597	1,752,442
Average Daily Rate	$81	$92	$87	$102	$90	$85	$79	$85	$92
Rooms Revenue ($000)	$27,836	$41,890	$69,726	$58,432	$14,487	$10,679	$7,119	$32,281	$160,441

2003 PKF OUTLOOK AT JANUARY 1, 2003

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	8,290	8,290	8,290	8,290	8,290	8,290	8,290	8,290	8,290
Available Room Nights	746,100	754,390	1,500,490	762,680	256,990	248,700	256,990	762,680	3,025,850
Occupancy	47%	62%	54%	77%	64%	52%	35%	50%	59%
Occupied Room Nights (2% Demand Growth)	348,929	466,690	815,619	588,775	164,355	128,966	90,907	384,228	1,788,622
Average Daily Rate (2% Rate Growth)	$83	$93	$89	$104	$92	$86	$81	$87	$93
Rooms Revenue ($000)	$28,962	$43,582	$72,545	$60,792	$15,073	$11,107	$7,408	$33,586	$166,923

2003 ACTUAL RESULTS

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	8,290	8,290	8,290	8,290	8,290	8,290	8,290	8,290	8,290
Available Room Nights	746,100	754,390	1,500,490	762,680	256,990	248,700	256,990	762,680	3,025,850
Occupancy	45%	54%	50%	69%	63%	52%	37%	51%	55%
Occupied Room Nights	339,144	410,435	749,579	524,954	161,390	128,579	96,217	386,186	1,660,717
Average Daily Rate	$85	$93	$89	$103	$92	$87	$84	$88	$93
Rooms Revenue ($000)	$28,842	$38,017	$66,859	$53,983	$14,889	$11,129	$8,113	$34,127	$154,969

2004 PKF OUTLOOK AT JANUARY 1, 2004

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	8,290	8,290	8,290	8,290				8,290	8,290
Available Room Nights	746,100	754,390	1,500,490	762,680				762,680	3,025,850
Occupancy	45%	58%	53%	73%				51%	57%
Occupied Room Nights (2% Demand Growth)	339,144	440,808	789,042	554,601				386,186	1,729,838
Average Daily Rate	$85	$96	$91	$105				$90	$95
Rooms Revenue ($000)	$28,973	$43,115	$72,088	$58,440				$34,686	$165,230

EASTERN ONTARIO 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	-0.4%	-6.2%	-3.3%	-6.6%	0.1%	0.9%	2.8%	1.3%	-3.0%
Occupied Room Nights	-0.9%	-10.3%	-6.3%	-8.7%	0.2%	1.8%	8.0%	2.5%	-5.2%
Average Daily Rate	4.5%	1.2%	2.3%	1.2%	2.6%	2.4%	5.5%	3.1%	1.9%
Rooms Revenue ($000)	3.6%	-9.2%	-4.1%	-7.6%	2.8%	4.2%	13.9%	5.7%	-3.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.3%	-7.5%	-4.4%	-8.1%	-1.2%	-0.1%	2.1%	0.3%	-4.2%
Occupied Room Nights	-2.8%	-12.1%	-8.1%	-10.5%	-1.8%	-0.2%	5.8%	0.5%	-7.0%
Average Daily Rate	2.5%	-0.8%	0.3%	-0.8%	0.6%	0.4%	3.5%	1.1%	-0.1%
Rooms Revenue ($000)	-0.4%	-12.8%	-7.8%	-11.2%	-1.2%	0.2%	9.5%	1.6%	-7.2%

2003 ACTUAL TO 2004 PKF OUTLOOK

EASTERN ONTARIO (excl Ottawa)	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	5.2%	2.6%	3.9%				0.0%	2.3%
Occupied Room Nights	0.0%	7.4%	5.3%	5.6%				0.0%	4.2%
Average Daily Rate	0.5%	3.5%	2.4%	2.5%				1.7%	2.4%
Rooms Revenue ($000)	0.5%	13.4%	7.8%	8.3%				1.7%	6.8%
Variance to 2003 PKF Forecast ($000)	-$120	-$5,566	-$5,686	-$6,809	-$183	$19	$705	$541	-$11,954
Variance to 2002 Actuals ($000)	$1,004	-$3,873	-$2,869	-$4,449	$402	$450	$993	$1,845	-$5,472

KINGSTON 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964
Available Room Nights	176,760	178,724	355,484	180,688	60,884	58,920	60,884	180,688	716,860
Occupancy	51%	62%	57%	79%	69%	54%	37%	53%	61%
Occupied Room Nights	89,564	111,521	201,085	142,574	41,827	31,750	22,661	96,240	439,908
Average Daily Rate	$82	$103	$94	$116	$99	$88	$80	$91	$100
Rooms Revenue ($000)	$7,315	$11,530	$18,844	$16,547	$4,143	$2,788	$1,803	$8,734	$44,125

2003 PKF OUTLOOK AT JANUARY 1, 2003

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964
Available Room Nights	176,760	178,724	355,484	180,688	60,884	58,920	60,884	180,688	716,860
Occupancy	52%	64%	58%	80%	70%	55%	38%	54%	63%
Occupied Room Nights (2% Growth)	91,358	113,751	205,107	145,426	42,198	32,383	23,114	98,171	448,704
Average Daily Rate (2% Growth)	$93	$105	$99	$118	$101	$90	$81	$93	$102
Rooms Revenue ($000)	$7,610	$11,995	$19,606	$17,216	$4,310	$2,900	$1,876	$9,086	$45,908

2003 ACTUAL RESULTS

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964
Available Room Nights	176,760	178,724	355,484	180,688	60,884	58,920	60,884	180,688	716,860
Occupancy	48%	61%	54%	72%	70%	56%	37%	54%	59%
Occupied Room Nights	84,914	108,259	193,173	130,008	42,882	32,942	22,442	97,848	421,175
Average Daily Rate	$87	$105	$97	$119	$104	$91	$86	$96	$103
Rooms Revenue ($000)	$7,408	$11,334	$18,742	$15,456	$4,461	$2,984	$1,938	$9,383	$43,577

2004 PKF OUTLOOK AT JANUARY 1, 2004

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1,964	1,964	1,964	1,964				1,964	1,964
Available Room Nights	176,760	178,724	355,484	180,688				180,688	716,860
Occupancy	48%	62%	55%	79%				54%	61%
Occupied Room Nights (2% Growth)	84,914	111,521	196,434	142,574				97,848	436,855
Average Daily Rate	$88	$110	$101	$121				$97	$106
Rooms Revenue ($000)	$7,457	$12,287	$19,744	$17,237				$9,496	$46,477

KINGSTON 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	-2.6%	-1.8%	-2.2%	-6.9%	1.7%	1.5%	-0.4%	0.9%	-2.6%
Occupied Room Nights	-5.2%	-2.0%	-3.9%	-8.8%	2.5%	2.6%	-1.0%	1.8%	-4.3%
Average Daily Rate	6.8%	1.3%	3.5%	2.4%	5.1%	4.1%	0.5%	5.6%	3.1%
Rooms Revenue ($000)	1.2%	-1.7%	-0.6%	-6.6%	7.7%	7.0%	7.5%	7.4%	-1.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-3.6%	-3.1%	-3.4%	-8.5%	0.3%	0.4%	-1.1%	-0.1%	-3.8%
Occupied Room Nights	-7.1%	-4.8%	-5.8%	-10.6%	0.9%	0.8%	-2.6%	-0.2%	-6.1%
Average Daily Rate	4.7%	-0.7%	1.5%	0.4%	3.0%	2.1%	6.4%	3.5%	1.1%
Rooms Revenue ($000)	-2.7%	-5.5%	-4.4%	-10.2%	3.5%	2.9%	3.3%	3.3%	-5.1%

2003 ACTUAL TO 2004 PKF OUTLOOK

Kingston	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	1.8%	0.9%	8.0%				0.0%	2.2%
Occupied Room Nights	0.0%	3.0%	1.7%	9.6%				0.0%	3.7%
Average Daily Rate	0.7%	5.2%	3.0%	1.7%				1.2%	2.8%
Rooms Revenue ($000)	0.7%	8.4%	5.4%	11.5%				1.2%	6.7%
Variance to 2003 PKF Forecast ($000)	-$204	-$661	-$866	-$1,762	$151	$84	$62	$297	-$2,331
Variance to 2002 Actuals ($000)	$91	-$195	-$104	-$1,090	$318	$196	$135	$650	-$548

OTHER EASTERN ONTARIO 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,326	6,326	6,326	6,326	6,326	6,326	6,326	6,326	6,326
Available Room Nights	569,340	575,666	1,145,006	581,992	196,106	189,780	196,106	581,992	2,308,990
Occupancy	43%	60%	51%	74%	60%	49%	33%	47%	56%
Occupied Room Nights	245,898	343,470	589,368	429,308	117,075	93,372	65,510	275,958	1,294,642
Average Daily Rate	$81	$85	$83	$94	$85	$83	$80	$83	$87
Rooms Revenue ($000)	$20,026	$29,077	$49,103	$40,215	$9,884	$7,718	$5,244	$22,858	$112,175

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,326	6,326	6,326	6,326	6,326	6,326	6,326	6,326	6,326
Available Room Nights	569,340	575,666	1,145,006	581,992	196,106	189,780	196,106	581,992	2,308,990
Occupancy (2% Demand Growth)	44%	61%	53%	75%	61%	50%	34%	48%	57%
Occupied Room Nights	250,816	350,340	601,156	437,894	119,417	95,239	66,829	281,485	1,320,535
Average Daily Rate (2% Rate Growth)	$83	$86	$85	$96	$86	$84	$82	$84	$88
Rooms Revenue ($000)	$20,830	$30,252	$51,087	$41,840	$10,296	$8,033	$5,456	$23,780	$116,708

2003 ACTUAL RESULTS

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,326	6,326	6,326	6,326	6,326	6,326	6,326	6,326	6,326
Available Room Nights	569,340	575,666	1,145,006	581,992	196,106	189,780	196,106	581,992	2,308,990
Occupancy	43%	51%	47%	67%	59%	50%	38%	49%	53%
Occupied Room Nights	246,012	296,260	542,272	391,786	116,065	94,880	73,871	284,956	1,219,013
Average Daily Rate	$83	$86	$85	$95	$86	$84	$83	$85	$89
Rooms Revenue ($000)	$20,424	$25,398	$45,822	$37,086	$9,969	$7,972	$6,164	$24,095	$108,993

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	6,326	6,326	6,326	6,326				6,326	6,326
Available Room Nights	569,340	575,666	1,145,006	581,992				581,992	2,308,990
Occupancy	43%	60%	51%	74%				49%	56%
Occupied Room Nights	246,012	343,470	589,482	428,308				284,956	1,303,746
Average Daily Rate	$85	$88	$87	$98				$87	$91
Rooms Revenue ($000)	$21,002	$30,344	$51,346	$42,042				$24,801	$118,189

OTHER EASTERN ONTARIO 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	0.0%	-8.2%	-4.1%	-6.4%	-0.9%	0.8%	4.3%	1.5%	-3.3%
Occupied Room Nights	0.0%	-13.7%	-8.0%	-8.7%	-0.9%	1.6%	12.8%	3.3%	-5.8%
Average Daily Rate	1.6%	1.3%	1.4%	1.0%	1.4%	1.6%	4.1%	2.1%	1.3%
Rooms Revenue ($000)	2.0%	-12.7%	-6.7%	-7.8%	0.9%	3.3%	17.5%	5.4%	-4.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.8%	-9.4%	-5.1%	-7.9%	-1.7%	-0.2%	3.6%	0.6%	-4.4%
Occupied Room Nights	-1.0%	-15.4%	-9.8%	-10.5%	-2.8%	-0.4%	10.7%	1.2%	-7.7%
Average Daily Rate	-0.1%	-0.7%	-0.6%	-0.9%	-0.6%	-0.4%	2.1%	0.1%	-0.7%
Rooms Revenue ($000)	-2.0%	-16.0%	-10.3%	-11.4%	-3.3%	-0.7%	13.0%	1.3%	-8.3%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Eastern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	9.2%	4.1%	6.4%				0.0%	3.7%
Occupied Room Nights	0.0%	15.9%	8.7%	9.0%				0.0%	7.0%
Average Daily Rate	2.8%	3.0%	3.1%	3.5%				3.0%	3.3%
Rooms Revenue ($000)	2.8%	19.5%	12.1%	13.4%				3.0%	10.5%
Variance to 2003 PKF Forecast ($000)	-$411	-$4,853	-$5,264	-$4,754	-$344	-$58	$708	$305	-$9,713
Variance to 2002 Actuals ($000)	$398	-$3,678	-$3,281	-$3,130	$55	$254	$920	$1,229	-$5,181

5.9 NORTHERN ONTARIO MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Northern Ontario's accommodation market averaged 9,348 rooms in 2003 – a 0.7% increase over 2002, due to the addition of 68 new rooms; a further 5 rooms are projected to enter the market in 2004

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
North Bay	58%	$89	58%	$87	0%	-3%	59%	$90
Sudbury	64%	$83	64%	$85	0%	2%	65%	$88
Sault Ste. Marie	58%	$89	57%	$86	4%	-3%	58%	$88
Total Northern Ontario	**63%**	**$84**	**61%**	**$84**	**-2%**	**0%**	**63%**	**$87**

Source: PKF Consulting

- Northern Ontario's hotel market achieved a 61% occupancy at an average daily rate of $84 in 2003. Occupancy levels were down by 2 percentage points, with the average daily rate flat in comparison to 2002.
- Demand for Northern Ontario hotels was **down approximately 16,000 room nights or 3% in Quarter 4 2003**, as compared to the same period in 2002, and was down 35,000 room nights or 1.6% for the year.

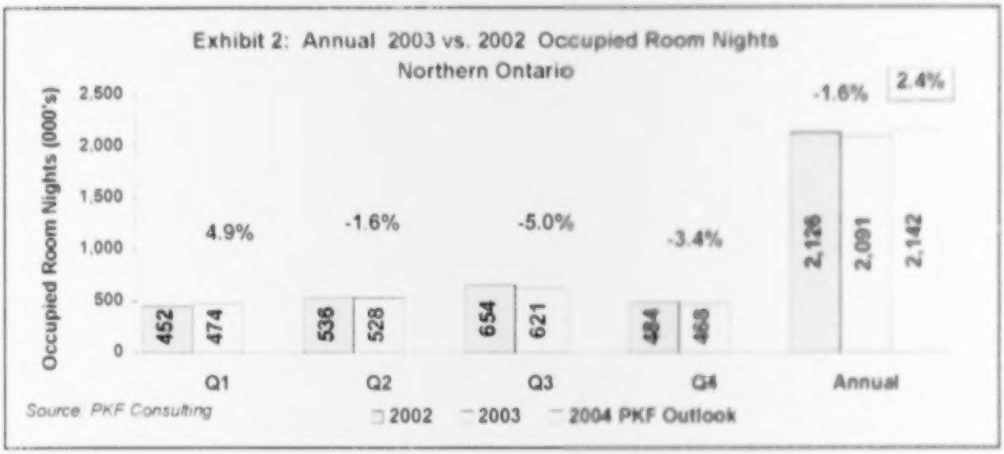


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
Northern Ontario

Source: PKF Consulting

Room Revenue

- Overall quarter 4 rooms revenue was down $2.0 Million or 3.6%, and down $2.0 Million or 1.4% for the year.

5.9 NORTHERN ONTARIO MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Northern Ontario's accommodation market averaged 9,348 rooms in 2003 – a 0.7% increase over 2002, due to the addition of 68 new rooms, a further 5 rooms are projected to enter the market in 2004.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

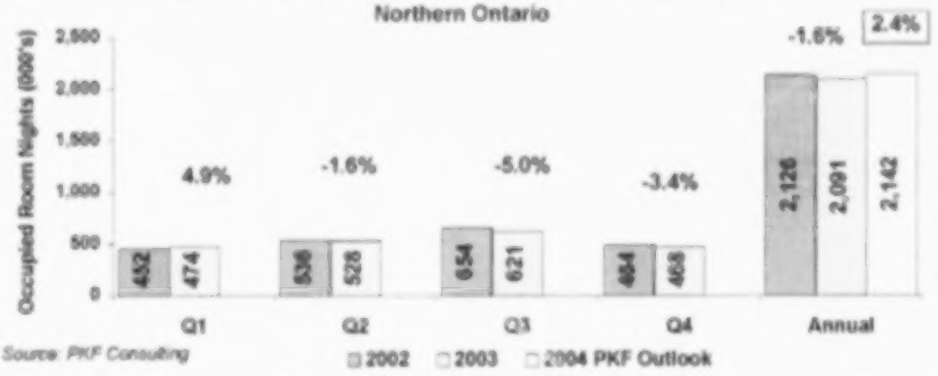
	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
North Bay	58%	$89	58%	$87	0%	-3%	59%	$90
Sudbury	64%	$83	64%	$85	0%	2%	65%	$88
Sault Ste. Marie	58%	$89	57%	$86	4%	-3%	58%	$88
Total Northern Ontario	**63%**	**$84**	**61%**	**$84**	**-2%**	**0%**	**63%**	**$87**

Source: PKF Consulting

- Northern Ontario's hotel market achieved a 61% occupancy at an average daily rate of $84 in 2003. Occupancy levels were down by 2 percentage points, with the average daily rate flat in comparison to 2002.

- Demand for Northern Ontario hotels was **down approximately 16,000 room nights or 3% in Quarter 4 2003**, as compared to the same period in 2002, and was down 35,000 room nights or 1.6% for the year.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
Northern Ontario



Source: PKF Consulting

Room Revenue

- Overall quarter 4 rooms revenue was down $2.0 Million or 3.6%, and down $2.0 Million or 1.4% for the year.

- On the basis of a 2.4% increase in demand and 3.3% increase in average daily rates, PKF is projecting a 5.7% increase in room revenues for 2004

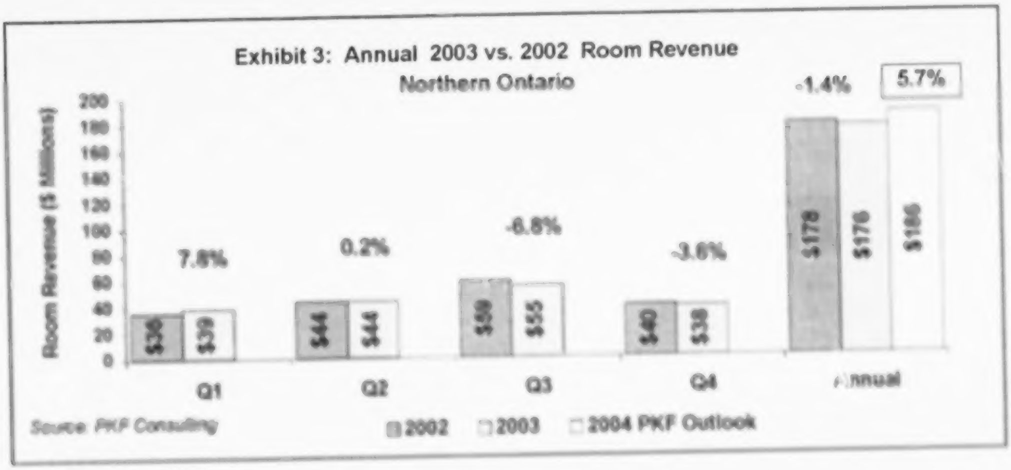


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
Northern Ontario

Source: PKF Consulting

TOTAL NORTHERN ONTARIO 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Northern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280	9,280
Available Room Nights	835,200	844,480	1,679,680	853,760	287,680	278,400	287,680	853,760	3,387,200
Occupancy	54%	64%	59%	77%	70%	57%	44%	57%	63%
Occupied Room Nights	452,196	536,403	988,598	653,590	201,088	157,298	125,716	484,100	2,126,289
Average Daily Rate	$79	$82	$81	$91	$85	$80	$78	$82	$84
Rooms Revenue ($000)	$35,778	$43,905	$79,683	$59,178	$17,133	$12,609	$9,767	$39,508	$178,369

2003 PKF OUTLOOK AT JANUARY 1, 2003

Northern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	9,348	9,348	9,348	9,348	9,348	9,348	9,348	9,348	9,348
Available Room Nights	841,320	850,668	1,691,988	860,016	289,788	280,440	289,788	860,016	3,412,020
Occupancy (3% Demand Growth)	55%	65%	60%	78%	71%	58%	45%	58%	64%
Occupied Room Nights	465,762	552,495	1,018,256	673,198	207,121	162,015	129,488	498,623	2,190,078
Average Daily Rate (2% Rate Growth)	$81	$83	$82	$92	$87	$82	$79	$83	$86
Rooms Revenue ($000)	$37,588	$46,127	$83,715	$62,172	$18,000	$13,247	$10,261	$41,508	$187,395

2003 ACTUAL RESULTS

Northern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	9,348	9,348	9,348	9,348	9,348	9,348	9,348	9,348	9,348
Available Room Nights	841,320	850,668	1,691,988	860,016	289,788	280,440	289,788	860,016	3,412,020
Occupancy	56%	62%	59%	72%	66%	55%	43%	54%	61%
Occupied Room Nights	474,476	527,882	1,002,358	621,156	190,391	153,681	123,739	467,811	2,091,325
Average Daily Rate	$81	$83	$82	$89	$85	$81	$77	$81	$84
Rooms Revenue ($000)	$38,554	$43,976	$82,530	$55,150	$16,105	$12,433	$9,566	$38,104	$175,784

2004 PKF OUTLOOK AT JANUARY 1, 2004

Northern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	9,348	9,348	9,348	9,348				9,366	9,353
Available Room Nights	841,320	850,668	1,691,988	860,016				861,690	3,413,694
Occupany	56%	64%	60%	77%				54%	63%
Occupied Room Nights	474,476	540,333	1,014,810	656,380				468,526	2,141,715
Average Daily Rate	$82	$85	$83	$94				$85	$87
Rooms Revenue ($000)	$38,769	$45,841	$84,609	$61,691				$39,591	$185,891

TOTAL NORTHERN ONTARIO 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Northern Ontario	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Occupancy Points	2.3%	-1.5%	0.4%	-4.3%	-4.2%	-1.7%	-1.0%	-2.3%	-1.5%
Occupied Room Nights	4.9%	-1.6%	1.4%	-5.0%	-5.3%	-2.3%	-1.6%	-3.4%	-1.6%
Average Daily Rate	2.7%	1.8%	2.2%	-1.9%	-0.7%	0.9%	-0.5%	-0.2%	0.2%
Rooms Revenue ($000)	7.8%	0.2%	3.6%	-6.8%	-6.0%	-1.4%	-2.1%	-3.6%	-1.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

Inventory	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.0%	-2.9%	-0.9%	-6.1%	-5.8%	-3.0%	-2.0%	-3.6%	-2.9%
Occupied Room Nights	1.9%	-4.5%	-1.6%	-7.7%	-8.1%	-5.1%	-4.4%	-6.2%	-4.5%
Average Daily Rate	0.7%	-0.2%	0.1%	-3.9%	-2.7%	-1.1%	-2.4%	-2.2%	-1.8%
Rooms Revenue ($000)	2.6%	-4.7%	-1.4%	-11.3%	-10.5%	-6.1%	-6.8%	-8.2%	-6.2%

2003 ACTUAL TO 2004 PKF OUTLOOK

Inventory	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.2%	0.0%
Occupancy Points	0.0%	1.5%	0.7%	4.3%				0.0%	1.4%
Occupied Room Nights	0.0%	2.4%	1.2%	6.0%				0.2%	2.4%
Average Daily Rate	0.6%	1.8%	1.3%	5.5%				3.7%	3.3%
Rooms Revenue ($000)	0.6%	4.2%	2.5%	11.9%				3.9%	5.7%
Variance to 2003 PKF Forecast ($000)	*$965*	*-$2,150*	*-$1,185*	*-$7,022*	*-$1,894*	*-$814*	*-$695*	*-$3,403*	*-$11,610*
Variance to 2002 Actuals ($000)	*$2,776*	*$71*	*$2,847*	*-$4,028*	*-$1,028*	*-$176*	*-$201*	*-$1,404*	*-$2,585*

NORTH BAY 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	809	809	809	809	809	809	809	809	809
Available Room Nights	72,810	73,619	146,429	74,428	25,079	24,270	25,079	74,428	295,285
Occupancy	53%	57%	55%	70%	61%	50%	40%	50%	58%
Occupied Room Nights	38,626	42,281	80,907	52,335	15,198	12,086	10,014	37,298	170,540
Average Daily Rate	$83	$89	$86	$97	$88	$83	$78	$84	$89
Rooms Revenue ($000)	$3,190	$3,743	$6,934	$5,101	$1,342	$1,000	$784	$3,125	$15,160

2003 PKF OUTLOOK AT JANUARY 1, 2003

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	809	809	809	809	809	809	809	809	809
Available Room Nights	72,810	73,619	146,429	74,428	25,079	24,270	25,079	74,428	295,285
Occupancy (2% Demand Growth)	54%	59%	56%	72%	62%	51%	41%	51%	59%
Occupied Room Nights	39,398	43,127	82,525	53,381	15,502	12,328	10,214	38,044	173,951
Average Daily Rate (2% Rate Growth)	$84	$90	$87	$99	$90	$84	$80	$85	$91
Rooms Revenue ($000)	$3,319	$3,894	$7,214	$5,307	$1,396	$1,040	$818	$3,252	$15,773

2003 ACTUAL RESULTS

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	809	809	809	809	809	809	809	809	809
Available Room Nights	72,810	73,619	146,429	74,428	25,079	24,270	25,079	74,428	295,285
Occupancy	56%	56%	56%	68%	60%	52%	44%	52%	58%
Occupied Room Nights	40,718	41,265	81,982	50,347	15,047	12,572	11,077	38,697	171,026
Average Daily Rate	$82	$87	$85	$93	$83	$82	$79	$82	$87
Rooms Revenue ($000)	$3,352	$3,598	$6,949	$4,698	$1,250	$1,028	$879	$3,157	$14,805

2004 PKF OUTLOOK AT JANUARY 1, 2004

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	809	809	809	809				809	809
Available Room Nights	72,810	73,619	146,429	74,428				74,428	295,285
Occupany	56%	61%	58%	68%				52%	59%
Occupied Room Nights	40,718	44,657	85,375	50,676				38,697	174,747
Average Daily Rate	$84	$90	$87	$99				$85	$90
Rooms Revenue ($000)	$3,401	$3,999	$7,401	$5,011				$3,270	$15,682

NORTH BAY 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	2.9%	-1.4%	0.7%	-2.7%	-0.6%	2.0%	4.2%	1.9%	0.2%
Occupied Room Nights	5.4%	-2.4%	1.3%	-3.8%	-1.0%	4.0%	10.6%	3.7%	0.3%
Average Daily Rate	-0.3%	-1.5%	-1.1%	-4.3%	-5.9%	-1.2%	1.4%	-2.6%	-2.8%
Rooms Revenue ($000)	5.1%	-3.9%	0.2%	-7.9%	-6.8%	2.8%	12.2%	1.0%	-2.3%

2003 ACTUAL TO 2003 PKF OUTLOOK

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.8%	-2.5%	-0.4%	-4.1%	-1.8%	1.0%	3.4%	0.9%	-1.0%
Occupied Room Nights	3.3%	-4.3%	-0.7%	-5.7%	-2.9%	2.0%	8.4%	1.7%	-1.7%
Average Daily Rate	-2.3%	-3.4%	-3.0%	-6.1%	-7.7%	-3.1%	-0.6%	-4.5%	-4.5%
Rooms Revenue ($000)	1.0%	-7.6%	-3.7%	-11.5%	-10.4%	-1.2%	7.8%	-2.9%	-6.1%

2003 ACTUAL TO 2004 PKF OUTLOOK

North Bay	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	4.6%	2.3%	0.4%				0.0%	1.3%
Occupied Room Nights	0.0%	8.2%	4.1%	0.7%				0.0%	2.2%
Average Daily Rate	1.5%	2.7%	2.3%	6.0%				3.8%	3.7%
Rooms Revenue ($000)	1.5%	11.2%	6.5%	6.7%				3.8%	5.9%
Variance to 2003 PKF Forecast ($000)	*$32*	*-$297*	*-$264*	*-$609*	*-$146*	*-$12*	*$64*	*-$94*	*-$968*
Variance to 2002 Actuals ($000)	*$161*	*-$145*	*$16*	*-$403*	*-$92*	*$28*	*$95*	*$32*	*-$355*

SUDBURY 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
Available Room Nights	114,120	115,388	229,508	116,656	39,308	38,040	39,308	116,656	462,820
Occupancy	52%	66%	59%	75%	77%	65%	45%	62%	64%
Occupied Room Nights	59,183	76,707	135,889	87,081	30,306	24,726	17,826	72,859	295,829
Average Daily Rate	$79	$82	$81	$87	$84	$82	$78	$82	$83
Rooms Revenue ($000)	$4,673	$6,309	$10,982	$7,539	$2,542	$2,022	$1,396	$5,960	$24,481

2003 PKF OUTLOOK AT JANUARY 1, 2003

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
Available Room Nights	114,120	115,388	229,508	116,656	39,308	38,040	39,308	116,656	462,820
Occupancy (2% Demand Growth)	53%	68%	60%	76%	79%	66%	46%	64%	65%
Occupied Room Nights	60,366	78,241	138,607	88,823	30,913	25,221	18,183	74,316	301,746
Average Daily Rate (2% Rate Growth)	$81	$84	$82	$88	$86	$83	$80	$83	$84
Rooms Revenue ($000)	$4,862	$6,564	$11,426	$7,844	$2,645	$2,104	$1,452	$6,200	$25,470

2003 ACTUAL RESULTS

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
Available Room Nights	114,120	115,388	229,508	116,656	39,308	38,040	39,308	116,656	462,820
Occupancy	57%	67%	62%	72%	73%	59%	46%	59%	64%
Occupied Room Nights	65,472	77,725	143,197	83,560	28,498	22,596	17,952	69,046	295,804
Average Daily Rate	$81	$85	$83	$87	$88	$85	$79	$84	$85
Rooms Revenue ($000)	$5,330	$6,581	$11,912	$7,291	$2,496	$1,910	$1,412	$5,818	$25,021

2004 PKF OUTLOOK AT JANUARY 1, 2004

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1,268	1,268	1,268	1,268				1,286	1,273
Available Room Nights	114,120	115,388	229,508	116,656				118,330	464,494
Occupany	57%	68%	63%	76%				59%	65%
Occupied Room Nights	65,472	78,857	144,329	88,709				69,811	302,849
Average Daily Rate	$84	$88	$86	$91				$87	$88
Rooms Revenue ($000)	$5,480	$6,912	$12,392	$8,111				$6,056	$26,558

SUDBURY 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	5.5%	0.9%	3.2%	-3.0%	-4.6%	-5.6%	0.3%	-3.3%	0.0%
Occupied Room Nights	10.6%	1.3%	5.4%	-4.0%	-6.0%	-8.6%	0.7%	-5.2%	0.0%
Average Daily Rate	3.1%	3.0%	2.9%	0.8%	4.4%	3.4%	0.5%	3.0%	2.2%
Rooms Revenue ($000)	14.1%	4.3%	8.5%	-3.3%	-1.8%	-5.5%	1.2%	-2.4%	2.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	4.5%	-0.4%	2.0%	-4.5%	-6.1%	-6.9%	-0.6%	-4.5%	-1.3%
Occupied Room Nights	8.5%	-0.7%	3.3%	-5.9%	-7.8%	-10.4%	-1.3%	-7.1%	-2.0%
Average Daily Rate	1.1%	0.9%	0.9%	-1.2%	2.4%	1.4%	-1.5%	1.0%	0.2%
Rooms Revenue ($000)	9.6%	0.3%	4.3%	-7.0%	-5.6%	-9.2%	-2.8%	-6.2%	-1.8%

2003 ACTUAL TO 2004 PKF OUTLOOK

Sudbury	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				1.4%	0.4%
Occupancy Points	0.0%	1.0%	0.5%	4.4%				-0.2%	1.3%
Occupied Room Nights	0.0%	1.5%	0.8%	6.2%				1.1%	2.4%
Average Daily Rate	2.8%	3.5%	3.2%	4.8%				2.9%	3.7%
Rooms Revenue ($000)	2.8%	5.0%	4.0%	11.2%				4.1%	6.1%
Variance to 2003 PKF Forecast ($000)	*$468*	*$18*	*$486*	*-$552*	*-$149*	*-$193*	*-$40*	*-$382*	*-$449*
Variance to 2002 Actuals ($000)	*$657*	*$272*	*$930*	*-$248*	*-$47*	*-$111*	*$16*	*-$142*	*$540*

SSM 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159
Available Room Nights	104,310	105,469	209,779	106,628	35,929	34,770	35,929	106,628	423,035
Occupancy	48%	53%	51%	79%	71%	44%	41%	52%	58%
Occupied Room Nights	50,532	55,837	106,369	84,332	25,402	15,403	14,612	55,417	246,118
Average Daily Rate	$82	$81	$81	$101	$93	$78	$77	$85	$89
Rooms Revenue ($000)	$4,136	$4,507	$8,643	$8,519	$2,364	$1,200	$1,126	$4,691	$21,853

2003 PKF OUTLOOK AT JANUARY 1, 2003

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Available Room Nights	110,430	111,657	222,087	112,884	38,037	36,810	38,037	112,884	447,855
Occupancy (3% Demand Growth)	47%	52%	49%	77%	69%	43%	40%	51%	57%
Occupied Room Nights	52,048	57,512	109,560	86,862	26,164	15,865	15,051	57,080	253,502
Average Daily Rate (2% Rate Growth)	$83	$82	$83	$103	$95	$79	$79	$86	$91
Rooms Revenue ($000)	$4,345	$4,735	$9,080	$8,951	$2,484	$1,261	$1,183	$4,928	$22,959

2003 ACTUAL RESULTS

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Available Room Nights	110,430	111,657	222,087	112,884	38,037	36,810	38,037	112,884	447,855
Occupancy	55%	53%	54%	72%	69%	42%	37%	49%	57%
Occupied Room Nights	60,405	59,365	119,770	81,210	26,093	15,534	14,024	55,651	256,631
Average Daily Rate	$83	$81	$82	$95	$89	$75	$76	$82	$86
Rooms Revenue ($000)	$5,032	$4,786	$9,818	$7,718	$2,325	$1,165	$1,060	$4,550	$22,080

2004 PKF OUTLOOK AT JANUARY 1, 2004

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1,227	1,227	1,227	1,227				1,227	1,227
Available Room Nights	110,430	111,657	222,087	112,884				112,884	447,855
Occupany	55%	53%	54%	76%				49%	58%
Occupied Room Nights	60,405	59,365	119,770	85,424				55,651	260,845
Average Daily Rate	$82	$80	$81	$101				$85	$88
Rooms Revenue ($000)	$4,938	$4,770	$9,708	$8,625				$4,720	$23,053

SSM 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%
Occupancy Points	6.3%	0.2%	3.2%	-7.1%	-2.1%	-2.1%	-3.8%	-2.7%	-0.9%
Occupied Room Nights	19.5%	6.3%	12.6%	-3.7%	2.7%	0.8%	-4.0%	0.4%	4.3%
Average Daily Rate	1.8%	-0.1%	0.9%	-5.9%	-4.2%	-3.8%	-2.0%	-3.4%	-3.1%
Rooms Revenue ($000)	21.7%	6.2%	13.6%	-9.4%	-1.6%	-2.9%	-5.9%	-3.0%	1.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	7.6%	1.7%	4.6%	-5.0%	-0.2%	-0.9%	-2.7%	-1.3%	0.7%
Occupied Room Nights	16.1%	3.2%	9.3%	-6.5%	-0.3%	-2.1%	-6.8%	-2.5%	1.2%
Average Daily Rate	-0.2%	-2.1%	-1.1%	-7.8%	-6.1%	-5.6%	-3.9%	-5.3%	-5.0%
Rooms Revenue ($000)	15.8%	1.1%	8.1%	-13.8%	-6.4%	-7.6%	-10.4%	-7.7%	-3.8%

2003 ACTUAL TO 2004 PKF OUTLOOK

Sault Ste. Marie	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	0.0%	0.0%	3.7%				0.0%	0.9%
Occupied Room Nights	0.0%	0.0%	0.0%	5.2%				0.0%	1.6%
Average Daily Rate	-1.9%	-0.3%	-1.1%	6.2%				3.7%	2.7%
Rooms Revenue ($000)	-1.9%	-0.3%	-1.1%	11.7%				3.7%	4.4%
Variance to 2003 PKF Forecast ($000)	$687	$51	$738	-$1,233	-$158	-$96	-$123	-$378	-$873
Variance to 2002 Actuals ($000)	$896	$279	$1,175	-$802	-$39	-$35	-$67	-$141	$233

6.0 MANITOBA PROVINCIAL/MARKET PERFORMANCE

6.1 PROVINCE OF MANITOBA

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Manitoba's accommodation market averaged 10,633 rooms in 2003 – a 2.5% increase over 2002, due to the addition of 262 new rooms.

Provincial Demand

Exhibit 1. 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Winnipeg	62%	$94	60%	$94	-2%	0%	61%	$96
Other Manitoba	55%	$71	55%	$74	5%	3%	55%	$77
Total Manitoba	**60%**	**$88**	**59%**	**$89**	**1%**	**1%**	**60%**	**$92**

Source: PKF Consulting

- Manitoba's hotel market achieved 59% occupancy at an average daily rate of $89. Occupancy levels were down by 1 percentage point, with the average daily rate up by $1 from 2002.
- Demand for Manitoba's hotels was **up by approximately 16,000 room nights or 1% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Manitoba was down by 3.1% in quarter 1, before improving by 3.0%, 1.9% and 0.3% in the last three quarters of 2003, respectively.
- Demand is forecasted by PKF to reach 2,314,000 room nights in 2004, a 1.7% increase from 2003.

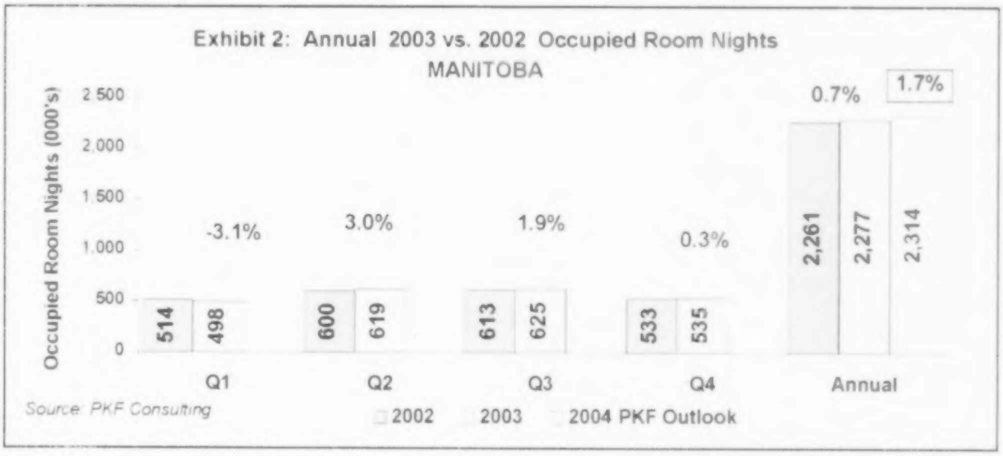


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
MANITOBA

Source: PKF Consulting

6.0 MANITOBA PROVINCIAL/MARKET PERFORMANCE

6.1 PROVINCE OF MANITOBA

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Manitoba's accommodation market averaged 10,633 rooms in 2003 – a 2.5% increase over 2002, due to the addition of 262 new rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Winnipeg	62%	$94	60%	$94	-2%	0%	61%	$96
Other Manitoba	55%	$71	55%	$74	5%	3%	55%	$77
Total Manitoba	**60%**	**$88**	**59%**	**$89**	**1%**	**1%**	**60%**	**$92**

Source: PKF Consulting

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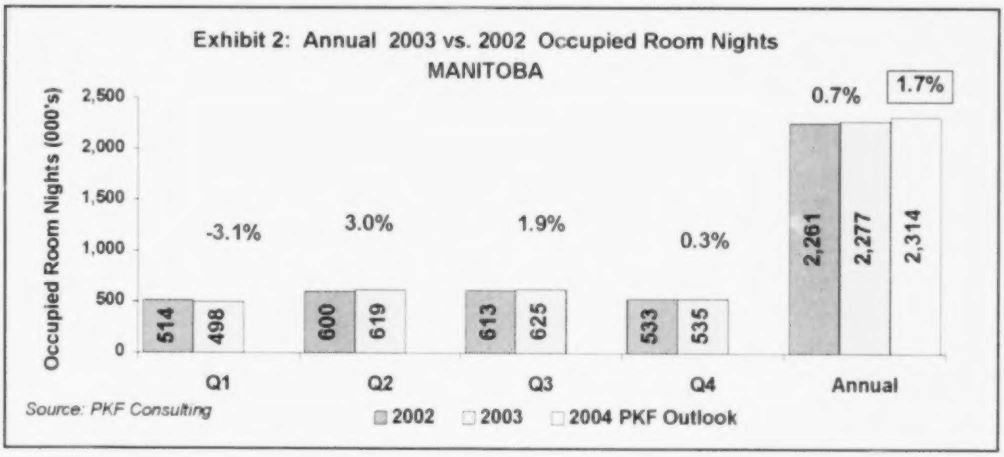


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights MANITOBA

Source: PKF Consulting

Room Revenue

- Room revenue was 1.2% lower in the first quarter of 2003 before rising by 4.4%, 1.1% and 1.9% in the remaining quarters of 2003, respectively.

- Overall, 2003 room revenue was up by $3.3 Million (1.7%) compared to 2002 due to an improvement in annual demand and average rate.

- PKF forecasts that 2004 room revenue in Manitoba will reach $213.5 Million, a 5.5% improvement over 2003.

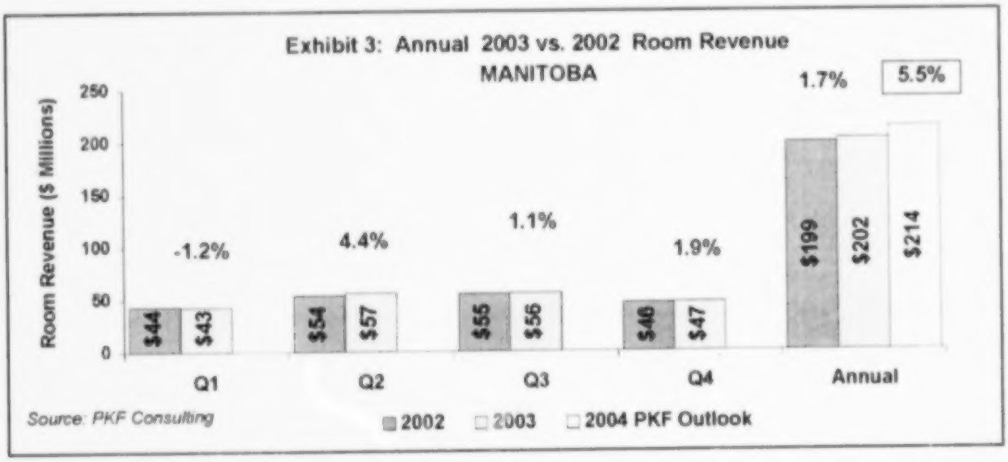


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
MANITOBA

Source: PKF Consulting

MANITOBA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	10,195	10,362	10,279	10,455	10,455	10,473	10,473	10,467	10,371
Available Room Nights	917,549	942,926	1,860,475	961,860	324,105	314,190	324,663	962,958	3,785,293
Occupancy	56%	64%	60%	64%	61%	60%	45%	55%	60%
Occupied Room Nights	514,325	600,445	1,114,770	612,857	199,000	189,457	144,962	533,419	2,261,047
Average Daily Rate	$85	$90	$88	$90	$88	$87	$84	$87	$88
Rooms Revenue ($000)	$43,722	$54,150	$97,872	$55,080	$17,516	$16,500	$12,136	$46,152	$199,104

2003 PKF OUTLOOK AT JANUARY 1, 2003

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633
Available Room Nights	956,970	987,603	1,924,573	978,236	329,623	318,990	329,623	978,236	3,881,045
Occupancy (2% Demand Growth)	55%	63%	59%	64%	62%	61%	45%	56%	59%
Occupied Room Nights	524,612	612,454	1,137,066	625,115	202,980	193,246	147,861	544,087	2,308,268
Average Daily Rate (1% Growth)	$86	$91	$89	$91	$89	$88	$85	$87	$89
Rooms Revenue ($000)	$45,043	$55,785	$100,828	$56,743	$18,045	$16,998	$12,503	$47,546	$205,117

2003 ACTUAL RESULTS

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633
Available Room Nights	956,970	987,603	1,924,573	978,236	329,623	318,990	329,623	978,236	3,881,045
Occupancy	52%	64%	58%	64%	62%	58%	44%	55%	59%
Occupied Room Nights	498,145	618,642	1,116,787	624,660	205,685	185,333	144,210	535,228	2,276,675
Average Daily Rate	$87	$91	$89	$89	$90	$88	$84	$88	$89
Rooms Revenue ($000)	$43,208	$56,541	$99,749	$55,662	$18,481	$16,372	$12,183	$47,036	$202,447

2004 PKF OUTLOOK AT JANUARY 1, 2004

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	10,633	10,633	10,633	10,633				10,633	10,633
Available Room Nights	956,970	987,603	1,924,573	978,236				978,236	3,881,045
Occupany	52%	64%	59%	66%				55%	60%
Occupied Room Nights	498,145	634,977	1,133,123	646,061				535,228	2,314,412
Average Daily Rate	$89	$94	$92	$94				$91	$92
Rooms Revenue ($000)	$44,388	$59,946	$104,332	$60,736				$48,479	$213,547

MANITOBA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4.3%	2.6%	3.4%	1.7%	1.7%	1.5%	1.5%	1.6%	2.5%
Occupancy Points	-4.0%	0.3%	-1.9%	0.1%	1.0%	-2.2%	-0.9%	-0.7%	-1.1%
Occupied Room Nights	-3.1%	3.0%	0.2%	1.9%	3.4%	-2.2%	-0.5%	0.3%	0.7%
Average Daily Rate	2.0%	1.3%	1.7%	-0.9%	2.1%	1.4%	0.9%	1.6%	1.0%
Rooms Revenue ($000)	-1.2%	4.4%	1.9%	1.1%	5.5%	-0.8%	0.4%	1.9%	1.7%

2003 ACTUAL TO 2003 PKF OUTLOOK

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-2.8%	0.6%	-1.1%	0.0%	0.8%	-2.5%	-1.1%	-0.9%	-0.8%
Occupied Room Nights	-5.0%	1.0%	-1.8%	-0.1%	1.3%	-4.1%	-2.5%	-1.6%	-1.3%
Average Daily Rate	1.0%	0.3%	0.7%	-1.8%	1.1%	0.4%	-0.1%	0.6%	0.0%
Rooms Revenue ($000)	-4.1%	1.4%	-1.1%	-1.9%	2.4%	-3.7%	-2.6%	-1.1%	-1.3%

2003 ACTUAL TO 2004 PKF OUTLOOK

MANITOBA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	1.7%	0.8%	2.2%				0.0%	1.0%
Occupied Room Nights	0.0%	2.6%	1.5%	3.4%				0.0%	1.7%
Average Daily Rate	2.7%	3.3%	3.1%	5.5%				3.1%	3.8%
Rooms Revenue ($000)	2.7%	6.0%	4.6%	9.1%				3.1%	5.5%
Variance to 2003 PKF Forecast ($000)	*-$1,835*	*$756*	*-$1,079*	*-$1,081*	*$436*	*-$626*	*-$320*	*-$510*	*-$2,670*
Variance to 2002 Actuals ($000)	*-$514*	*$2,391*	*$1,877*	*$582*	*$965*	*-$127*	*$47*	*$884*	*$3,343*

6.2 WINNIPEG

2003 ANNUAL RESULTS

Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Winnipeg market was 7,028 rooms – with no additions or closures since 2002.

- PKF estimates that 75 new guest rooms will be added to Winnipeg's accommodation inventory in 2004.

Demand

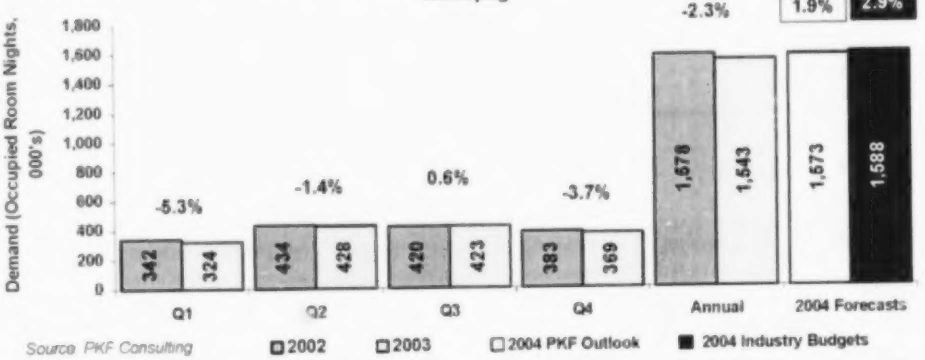
- During 2003, the Winnipeg hotel market achieved 60% occupancy at an average daily rate of $94.

- Demand for hotels rooms in Winnipeg **was down by over 35,000 room nights in 2003**, compared to 2002.

- On a quarter-by-quarter basis, demand for Winnipeg's room nights declined in every quarter of 2003 except in quarter 3, with the 1st quarter experiencing the largest decline at 5.3%. Quarter 2 room demand declined by 1.4%, quarter 3 saw demand rise by a minimal 0.6% and quarter 4 experienced a 3.7% decline in demand.

- Demand is forecasted by PKF to reach 1,573,000 room nights in 2004, which represents a 1.9% increase in demand compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Winnipeg



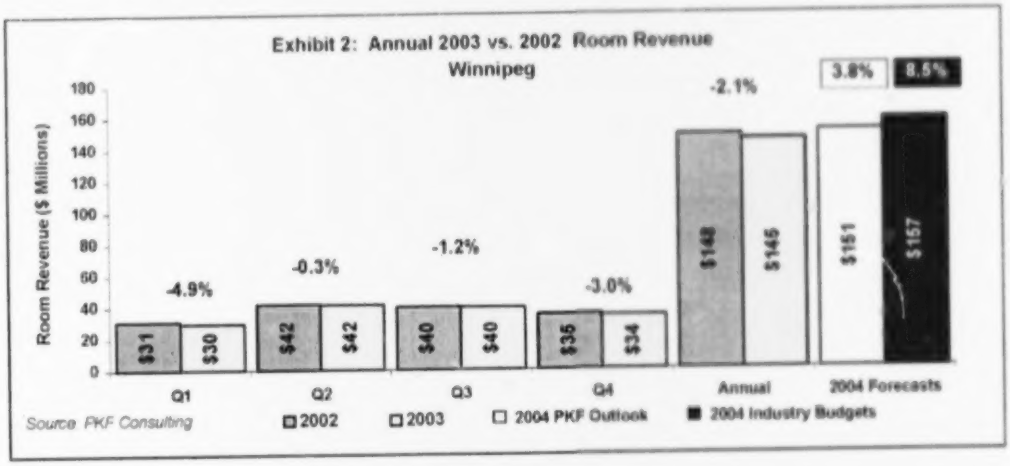
Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to a poor start for Winnipeg's hotel operators with quarter 1 room revenue declining by 4.9% in 2003. A year-over-year decline was experienced in all remaining quarters of 2003 – quarter 2 (0.3%), quarter 3 (1.2%), quarter 4 (3.0%).

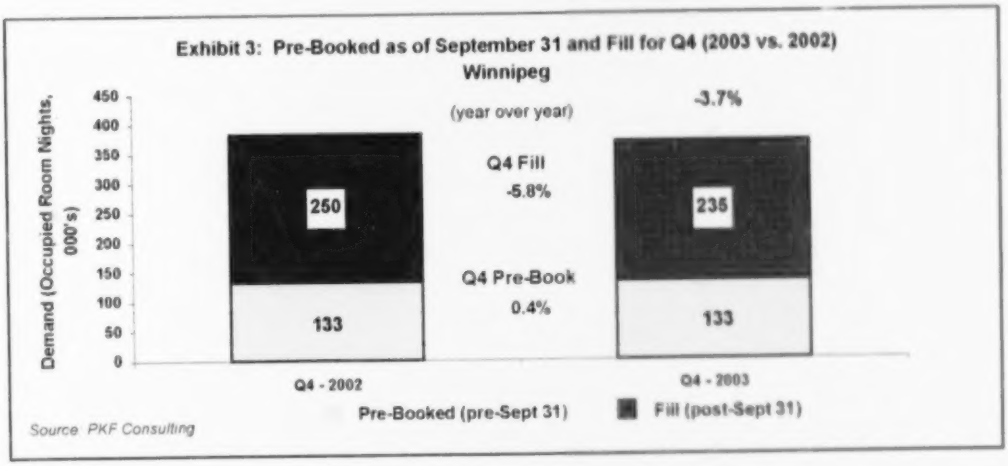
- Overall, 2003 room revenue declined by $3.2 Million (2.1%) compared to 2002 due to the loss of demand.

- PKF forecasts that 2004 room revenue in Winnipeg will reach $150.6 Million, a 3.8% improvement over 2003.
- The industry has budgeted for 61% occupancy at an average rate of $99 representing a 8.5% increase in room revenue compared to 2003.



Pre-Booked Business and Fill Rate

- As of September 31st 2004, Winnipeg hoteliers had pre-booked over 133,000 room nights for the upcoming months of October, November and December – exactly inline with 2002 pre-bookings for the same period.
- The fill rate for the industry was 5.8% lower for quarter 4, 2003 with 15,000 fewer room nights sold compared to 2002 during the quarter.



Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Winnipeg accommodations experienced a decline in demand during the 4th quarter, with the loss of 14,000 occupied room nights. Winnipeg hoteliers reported that supply/competition and economic factors were the main cause of this decline. Operators noted that destination marketing programs assisted in recovering a portion of this decline.

- Winnipeg hoteliers reported that the majority of lost demand was due to fewer travellers from the Canada (67%) and the United States (32%) with Overseas travellers only responsible for 1% of the lower demand.

- Hotels in Winnipeg attributed most of their demand erosion to a decline in business travellers (34%), with most of the remainder split between independent Leisure travel (24%) and meetings convention travel (22%).

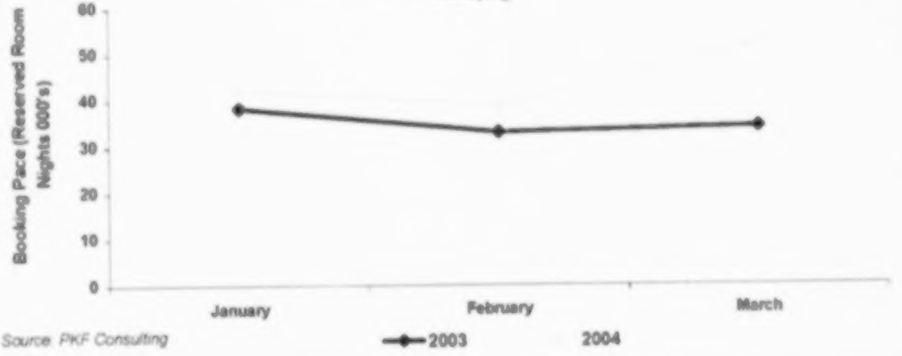
- Hotels in Winnipeg attribute a majority of their decline in 4th quarter demand to guest arriving via airplane (51%) and automobile (44%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 130,000 room nights or 40% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 106,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **24,000 more room nights** or a 23% improvement in pre-booked room nights.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Winnipeg



Source: PKF Consulting

Winnipeg

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,895	7,010	6,953	7,103	7,103	7,103	7,103	7,103	7,028
Available Room Nights	620,549	637,894	1,258,443	653,476	220,193	213,090	220,193	653,476	2,565,395
Occupancy	55%	68%	62%	64%	65%	64%	46%	59%	62%
Occupied Room Nights	341,934	434,013	775,948	419,919	144,006	136,804	101,773	382,583	1,578,450
Average Daily Rate	$91	$96	$94	$96	$93	$92	$88	$92	$94
Rooms Revenue ($000)	$31,185	$41,853	$73,037	$40,119	$13,457	$12,649	$8,996	$35,102	$148,258

2003 ACTUAL RESULTS

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,895	7,010	6,953	7,103	7,103	7,103	7,103	7,103	7,028
Available Room Nights	620,549	637,894	1,258,443	653,476	220,193	213,090	220,193	653,476	2,565,395
Occupancy	52%	67%	60%	65%	65%	60%	44%	56%	60%
Occupied Room Nights	323,815	427,901	751,715	422,559	142,685	128,493	97,413	368,592	1,542,866
Average Daily Rate	$92	$97	$95	$94	$95	$93	$88	$92	$94
Rooms Revenue ($000)	$29,659	$41,715	$71,373	$39,649	$13,491	$11,996	$8,572	$34,059	$145,081

BOOKING PATTERNS

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	105,551	238,776	344,327	252,649	73,335	46,450	12,874	132,667	729,643
% Of Rooms Sold	31%	55%	44%	60%	51%	34%	13%	35%	46%
2003 BOOKINGS	91,128	208,730	299,857	299,173	73,705	45,509	13,916	133,190	732,221
% Of Rooms Sold	28%	49%	40%	71%	52%	35%	14%	36%	47%
2002/2003 VARIANCE	-14%	-13%	-13%	18%	1%	-2%	8%	0%	0%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	-2.9%	-1.0%	-1.9%	0.4%	-0.6%	-3.9%	-2.0%	-2.1%	-1.4%
Occupied Room Nights	-5.3%	-1.4%	-3.1%	0.6%	-0.9%	-6.1%	-4.3%	-3.7%	-2.3%
Average Daily Rate	0.4%	1.1%	0.8%	-1.8%	1.2%	1.0%	-0.4%	0.7%	0.1%
Rooms Revenue ($000)	-4.9%	-0.3%	-2.3%	-1.2%	0.2%	-5.2%	-4.7%	-3.0%	-2.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-2.4%	-1.4%	-1.8%	-0.9%	-1.3%	-4.7%	-1.3%	-2.4%	-1.7%
Occupied Room Nights	-7.2%	-3.3%	-5.0%	-1.3%	-3.0%	-7.2%	-2.8%	-4.1%	-3.8%
Average Daily Rate	-0.6%	0.1%	-0.1%	-2.8%	-1.8%	-2.2%	-4.9%	-2.8%	-1.5%
Rooms Revenue ($000)	-7.7%	-3.3%	-5.1%	-4.1%	-3.8%	-9.3%	-7.5%	-6.7%	-5.2%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.3%	-0.3%	0.1%	-3.7%	-11.0%	-6.1%	-1.4%	-6.2%	-2.2%
Occupied Room Nights	-2.3%	-1.7%	-2.0%	-4.0%	-14.6%	-9.2%	-3.0%	-9.9%	-4.9%
Average Daily Rate	-4.2%	-3.1%	-3.5%	-5.8%	-9.9%	-7.0%	-8.0%	-8.8%	-5.5%
Rooms Revenue ($000)	-6.4%	-4.8%	-5.5%	-9.5%	-22.7%	-16.1%	-11.5%	-17.9%	-9.7%

REVENUE VARIANCE SUMMARY

Winnipeg	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	-$1,526	-$138	-$1,664	-$470	$33	-$653	-$423	-$1,043	-$3,177
2003 Actual versus 2003 PKF Outlook ($000)	-$2,468	-$1,402	-$3,870	-$1,682	-$526	-$1,227	-$692	-$2,445	-$7,997

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	24%	(3,371)
Local/Regional Economic Conditions	24%	(3,302)
Destination Marketing Promotions/Packages	7%	(990)
Increased Supply/Competition	30%	(4,177)
Geopolitical Reasons (Iraq War, Residual 9/11)	11%	(1,522)
Fear/Impacts Associated with SARS	4%	(628)
Other Reasons	0%	-
Total	100%	(13,991)

SEGMENTATION	%	ORN
Business Travel	36%	(5,076)
Independent Leisure Travel	24%	(3,355)
Group Leisure	3%	(413)
Meetings/Convention Travel	22%	(3,142)
Government	14%	(2,005)
Other	0%	-
Total	100%	(13,991)

GUEST ORIGIN	%	ORN
Domestic Travel	67%	(9,345)
US Travel	32%	(4,494)
Overseas Travel	1%	(153)
Total	100%	(13,991)

TRANSPORTATION	%	ORN
Air	51%	(7,117)
Automobile	44%	(6,211)
Motorcoach	5%	(663)
Other	0%	-
Total	100%	(13,991)

Winnipeg

2004 OUTLOOK

2003 ACTUAL RESULTS

Winnipeg	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	6,835	6,885	6,964	6,895	7,010	6,953	7,103	7,103	7,028
Available Room Nights	211,885	192,780	215,884	620,549	637,894	1,258,443	653,476	653,476	2,565,395
Occupancy	45%	55%	57%	52%	67%	60%	65%	56%	60%
Occupied Room Nights	94,924	105,836	123,054	323,815	427,901	751,715	422,559	368,592	1,542,866
Average Daily Rate	$92	$91	$92	$92	$97	$95	$94	$92	$94
Rooms Revenue ($000)	$8,688	$9,596	$11,374	$29,658	$41,715	$71,373	$39,649	$34,059	$145,081

2004 PKF OUTLOOK AT JANUARY 1, 2004

Winnipeg	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	7,103	7,103	7,103	7,103	7,103	7,103	7,103	7,103	7,103
Available Room Nights	220,193	198,884	220,193	639,270	646,373	1,285,643	653,476	653,476	2,592,595
Occupancy	43%	54%	56%	51%	68%	60%	66%	57%	61%
Occupied Room Nights	94,683	107,397	123,308	325,388	441,594	766,982	431,438	374,470	1,572,888
Average Daily Rate	$94	$93	$92	$93	$99	$97	$96	$94	$96
Rooms Revenue ($000)	$8,900	$9,988	$11,344	$30,232	$43,907	$74,140	$41,387	$35,057	$150,584

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Winnipeg	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	7,103	7,103	7,103	7,103	7,103	7,103	7,103	7,103	7,103
Available Room Nights	220,193	198,884	220,193	639,270	646,373	1,285,643	653,476	653,476	2,592,595
Occupancy	44%	57%	62%	54%	68%	61%	63%	60%	61%
Occupied Room Nights	97,069	112,874	136,050	345,992	437,063	783,056	412,470	392,520	1,588,045
Average Daily Rate	$91	$92	$94	$93	$102	$98	$101	$100	$99
Rooms Revenue ($000)	$8,863	$10,413	$12,785	$32,061	$44,779	$76,840	$41,497	$39,145	$157,483

2004 BOOKING PATTERNS

Winnipeg	January	February	March	1st Quarter
2003 BOOKINGS	38,313	33,089	34,149	105,551
% Of Rooms Sold	40%	31%	28%	33%
2004 BOOKINGS	42,295	38,875	52,377	129,562
% Of Rooms Sold	45%	37%	43%	40%
2003/2004 VARIANCE	10%	17%	53%	23%

2004 PKF OUTLOOK versus 2003 ACTUAL

Winnipeg	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	3.9%	3.2%	2.0%	3.0%	1.3%	2.2%	0.0%	0.0%	1.1%
Occupancy Points	-1.8%	-0.9%	-1.0%	-1.3%	1.2%	-0.1%	1.4%	0.9%	0.5%
Occupied Room Nights	-0.3%	1.5%	0.2%	0.5%	3.2%	2.0%	2.1%	1.6%	1.9%
Average Daily Rate	2.7%	2.6%	-0.5%	1.4%	2.0%	1.8%	2.2%	1.3%	1.8%
Rooms Revenue ($000)	2.4%	4.1%	-0.3%	1.9%	5.3%	3.9%	4.4%	2.9%	3.8%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Winnipeg	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-0.7%	1.9%	4.8%	1.9%	0.5%	1.2%	-1.5%	3.7%	1.1%
Occupied Room Nights	2.3%	6.6%	10.6%	6.8%	2.1%	4.2%	-2.4%	6.5%	2.9%
Average Daily Rate	-0.2%	1.7%	1.7%	1.2%	5.1%	3.4%	7.2%	7.9%	5.5%
Rooms Revenue ($000)	2.0%	8.5%	12.4%	8.1%	7.3%	7.7%	4.7%	14.9%	8.5%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

6.3 OTHER MANITOBA MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Manitoba's other accommodation markets averaged 3,530 rooms in 2003 – a relatively large increase over 2002, due to the addition of 188 rooms.

Demand

- Manitoba's other hotel markets achieved 55% occupancy at an average daily rate of $74. Occupancy levels were flat with a $3 increase in rate.
- Demand for Manitoba's other hotels was **up approximately 32,000 room nights or 4.7% in 4 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in other Manitoba markets declined in quarter 1 by 6.4% before posting gains in all remaining quarters of 13.5%, 4.2% and 8.9%, respectively.
- Demand is forecasted by PKF to reach nearly 710,000 room nights in 2004, which represents a 0.8% increase in demand over 2003.

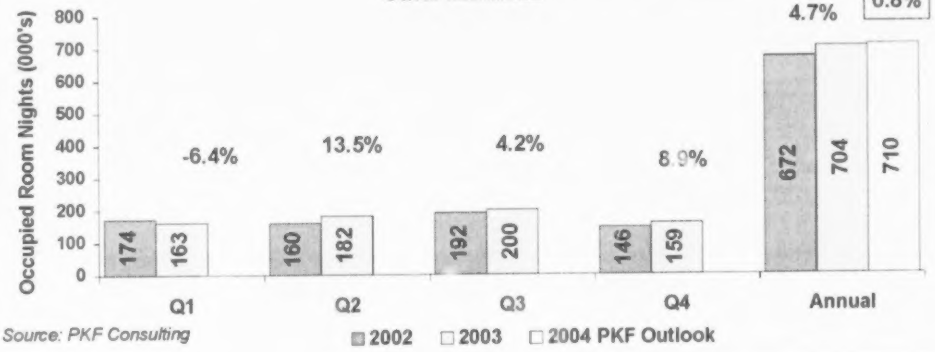


Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Other Manitoba

Source: PKF Consulting

Room Revenue

- From a room revenue perspective, other Manitoba markets started the year down slightly - 0.3% in quarter 1. The remaining three quarters of 2003 resulted in year-over-year improvements in room revenue – quarter 2 (17.9%), quarter 3 (5.2%), and quarter 4 (11.6%).
- Overall, revenues in other Manitoba hotel markets rose by $3.9 Million in 2003 compared to 2002.
- PKF forecasts that other Manitoba hotel markets will reach total room revenues of almost $55 Million in 2004, representing a 5.8% improvement in 2003 revenue.

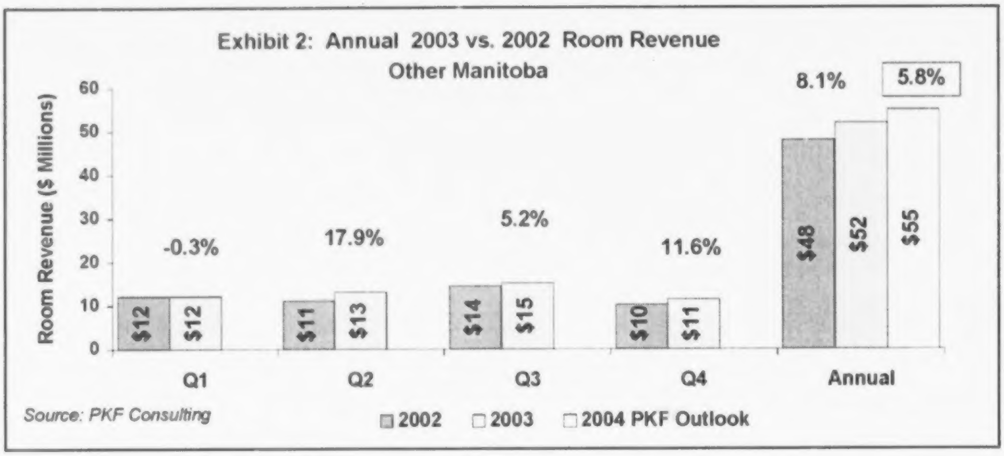


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Other Manitoba
Room Revenue ($ Millions)
60
50
40
30
20
10
0
-0.3%
17.9%
5.2%
11.6%
8.1%
5.8%
$12
$12
$11
$13
$14
$15
$10
$11
$48
$52
$55
Q1
Q2
Q3
Q4
Annual
Source: PKF Consulting
▨ 2002
☐ 2003
☐ 2004 PKF Outlook

OTHER MANITOBA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,300	3,352	3,326	3,352	3,352	3,370	3,370	3,364	3,342
Available Room Nights	297,000	305,032	602,032	308,384	103,912	101,100	104,470	309,482	1,219,898
Occupancy	58%	53%	55%	62%	52%	50%	40%	47%	55%
Occupied Room Nights	173,709	160,410	334,119	191,889	53,515	50,651	41,997	146,163	672,170
Average Daily Rate	$70	$70	$70	$75	$71	$69	$69	$70	$71
Rooms Revenue ($000)	$12,182	$11,153	$23,335	$14,448	$3,813	$3,514	$2,879	$10,206	$47,989

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530
Available Room Nights	317,700	321,230	638,930	324,760	109,430	105,900	109,430	324,760	1,288,450
Occupancy (2% Demand Growth)	56%	51%	53%	60%	50%	49%	39%	46%	53%
Occupied Room Nights	177,183	163,618	340,801	195,726	54,585	51,664	42,837	149,086	685,613
Average Daily Rate (1% Growth)	$71	$70	$71	$76	$72	$70	$69	$71	$72
Rooms Revenue ($000)	$12,550	$11,490	$24,040	$14,884	$3,929	$3,620	$2,966	$10,514	$49,438

2003 ACTUAL RESULTS

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530
Available Room Nights	317,700	321,230	638,930	324,760	109,430	105,900	109,430	324,760	1,288,450
Occupancy	51%	57%	54%	62%	54%	52%	42%	49%	55%
Occupied Room Nights	162,677	182,081	344,757	199,932	58,545	54,644	45,961	159,150	703,840
Average Daily Rate	$75	$72	$73	$76	$71	$72	$72	$72	$74
Rooms Revenue ($000)	$12,144	$13,152	$25,296	$15,203	$4,172	$3,921	$3,300	$11,393	$51,892

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	3,530	3,530	3,530	3,530				3,530	3,530
Available Room Nights	317,700	321,230	638,930	324,760				324,760	1,288,450
Occupany	51%	57%	54%	63%				49%	55%
Occupied Room Nights	162,677	182,081	344,757	205,866				159,150	709,774
Average Daily Rate	$76	$76	$76	$82				$75	$77
Rooms Revenue ($000)	$12,385	$13,817	$26,202	$16,805				$11,894	$54,902

OTHER MANITOBA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	7.0%	5.3%	6.1%	5.3%	5.3%	4.7%	4.7%	4.9%	5.6%
Occupancy Points	-7.3%	4.1%	-1.5%	-0.7%	2.0%	1.5%	1.8%	1.8%	-0.5%
Occupied Room Nights	-6.4%	13.5%	3.2%	4.2%	9.4%	7.9%	9.4%	8.9%	4.7%
Average Daily Rate	6.5%	3.9%	5.1%	1.0%	0.0%	3.4%	4.7%	2.5%	3.3%
Rooms Revenue ($000)	-0.3%	17.9%	8.4%	5.2%	9.4%	11.6%	14.6%	11.6%	8.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-4.6%	5.7%	0.6%	1.3%	3.6%	2.8%	2.9%	3.1%	1.4%
Occupied Room Nights	-8.2%	11.3%	1.2%	2.1%	7.3%	5.8%	7.3%	6.8%	2.7%
Average Daily Rate	5.4%	2.9%	4.0%	0.0%	-1.0%	2.4%	3.7%	1.5%	2.2%
Rooms Revenue ($000)	-3.2%	14.5%	5.2%	2.1%	6.2%	8.3%	11.3%	8.4%	5.0%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Manitoba	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	0.0%	0.0%	1.8%				0.0%	0.5%
Occupied Room Nights	0.0%	0.0%	0.0%	3.0%				0.0%	0.8%
Average Daily Rate	2.0%	5.1%	3.6%	7.4%				4.4%	4.9%
Rooms Revenue ($000)	2.0%	5.1%	3.6%	10.5%				4.4%	5.8%
Variance to 2003 PKF Forecast ($000)	-$405	$1,662	$1,256	$319	$243	$302	$334	$879	$2,454
Variance to 2002 Actuals ($000)	-$38	$1,999	$1,961	$755	$358	$408	$421	$1,187	$3,903

7.0 SASKATCHEWAN PROVINCIAL/MARKET PERFORMANCE

7.1 PROVINCE OF SASKATCHEWAN

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Saskatchewan's accommodation market averaged 11,105 rooms in 2003 – a 0.8% increase over 2002, due to the addition of 91 new rooms.

Provincial Demand

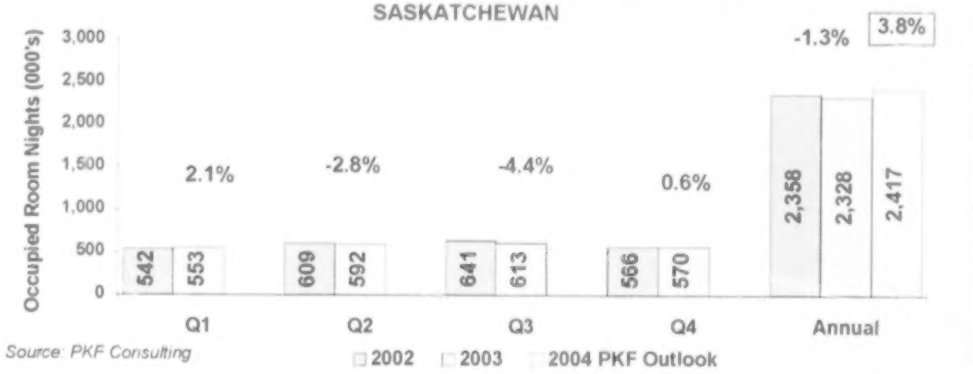
Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002		Annual 2003		% Change		Annual 2004 PKF Outlook	
	Occ.	ADR	Occ.	ADR	Demand	ADR		
Saskatoon-Regina	61%	$85	59%	$87	-2%	2%	59%	$89
Other Saskatchewan	51%	$72	53%	$75	5%	4%	54%	$78
Total Saskatchewan	**59%**	**$81**	**57%**	**$87**	**-1%**	**7%**	**59%**	**$85**

Source: PKF Consulting

- Saskatchewan's hotel market achieved 57% occupancy at an average daily rate of $87. Occupancy levels were down by 2 percentage points, with the average daily rate improving by $6 from 2002.
- Demand for Saskatchewan's hotels was **down by approximately 30,000 room nights or 1.3% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Saskatchewan was 2.1% higher in quarter 1, lowered by 2.8% and 4.4% in quarters 3 and 4 respectively before ending the year 0.6% higher in quarter 4.
- Demand is forecasted by PKF to reach 2,417,000 room nights in 2004, a 3.8% increase from 2003.

Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights SASKATCHEWAN



Source: PKF Consulting

7.0 SASKATCHEWAN PROVINCIAL/MARKET PERFORMANCE

7.1 PROVINCE OF SASKATCHEWAN

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Saskatchewan's accommodation market averaged 11,105 rooms in 2003 – a 0.8% increase over 2002, due to the addition of 91 new rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Saskatoon-Regina	61%	$85	59%	$87	-2%	2%	59%	$89
Other Saskatchewan	51%	$72	53%	$75	5%	4%	54%	$78
Total Saskatchewan	**59%**	**$81**	**57%**	**$87**	**-1%**	**7%**	**59%**	**$85**

Source: PKF Consulting

- Saskatchewan's hotel market achieved 57% occupancy at an average daily rate of $87. Occupancy levels were down by 2 percentage points, with the average daily rate improving by $6 from 2002.
- Demand for Saskatchewan's hotels was **down by approximately 30,000 room nights or 1.3% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Saskatchewan was 2.1% higher in quarter 1, lowered by 2.8% and 4.4% in quarters 3 and 4 respectively before ending the year 0.6% higher in quarter 4.
- Demand is forecasted by PKF to reach 2,417,000 room nights in 2004, a 3.8% increase from 2003.

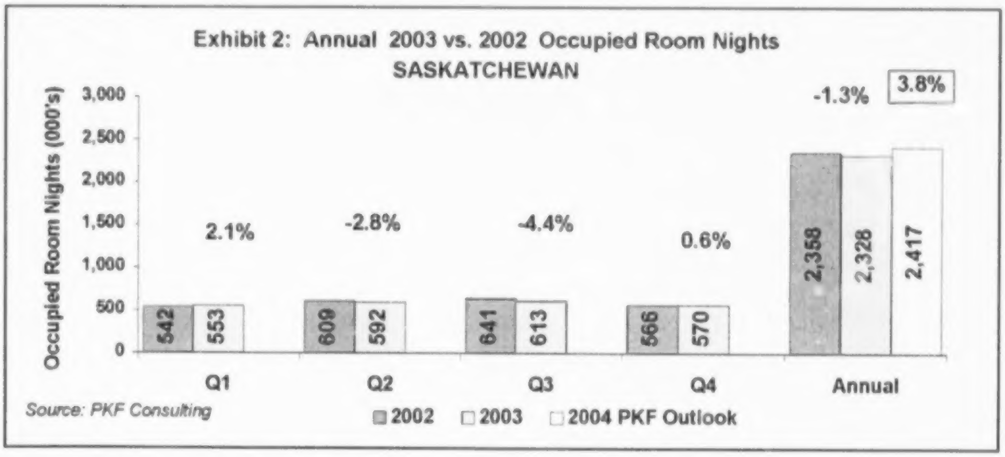


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights SASKATCHEWAN

Source: PKF Consulting

Room Revenue

- Saskatchewan hoteliers posted significant room revenue improvements in every quarter of 2003. Quarter 1 room revenue improved by 9.3%, quarter 2 was up by 1.9%, quarter 3 improved by 0.6% and quarter 4 experienced an improvement of 9.8%.
- Overall, 2003 room revenue was up by $9.8 Million (5.1%) compared to 2002 due to an improvement in average rate.
- PKF forecasts that 2004 room revenue in Saskatchewan will reach $206 Million, a 2.1% improvement over 2003.

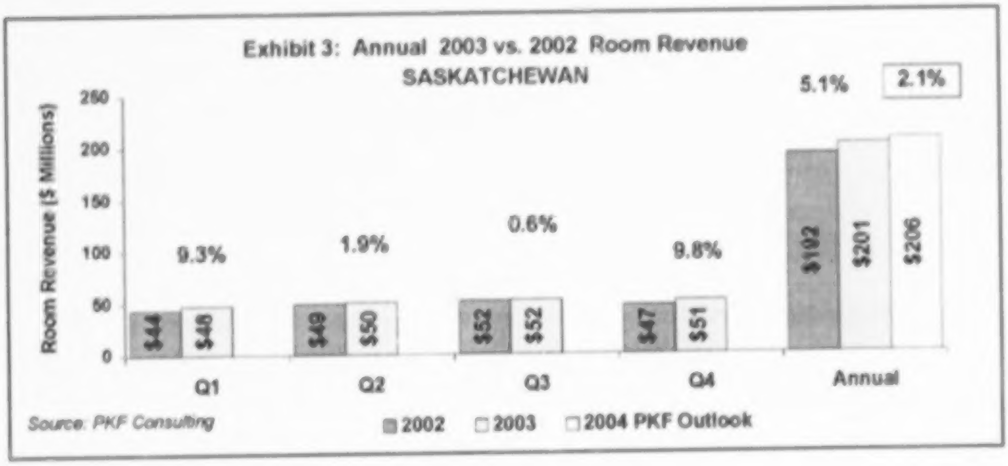


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
SASKATCHEWAN

Source: PKF Consulting

SASKATCHEWAN 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,014	11,014	11,014	11,014	11,014	11,014	11,014	11,014	11,014
Available Room Nights	991,260	1,002,274	1,993,534	1,013,288	341,434	330,420	341,434	1,013,288	4,020,110
Occupancy	55%	61%	58%	63%	64%	62%	42%	56%	59%
Occupied Room Nights	542,241	608,872	1,151,113	640,690	218,859	205,521	142,037	566,417	2,358,220
Average Daily Rate	$81	$81	$81	$81	$81	$85	$79	$82	$81
Rooms Revenue ($000)	$43,771	$49,398	$93,169	$51,860	$17,817	$17,487	$11,250	$46,554	$191,583

2003 PKF OUTLOOK AT JANUARY 1, 2003

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,033	11,033	11,033	11,153	11,153	11,153	11,288	11,198	11,105
Available Room Nights	992,970	1,004,003	1,996,973	1,026,076	345,743	334,590	349,928	1,030,261	4,053,310
Occupancy (2% Demand Growth)	56%	62%	59%	64%	65%	63%	41%	56%	59%
Occupied Room Nights	553,086	621,049	1,174,135	653,504	223,230	209,632	144,877	577,740	2,405,384
Average Daily Rate (1% Growth)	$82	$82	$82	$82	$82	$86	$80	$83	$82
Rooms Revenue ($000)	$45,062	$50,921	$95,983	$53,429	$18,399	$17,985	$11,610	$47,980	$197,368

2003 ACTUAL RESULTS

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,033	11,033	11,033	11,153	11,153	11,153	11,288	11,198	11,105
Available Room Nights	992,970	1,004,003	1,996,973	1,026,076	345,743	334,590	349,928	1,030,261	4,053,310
Occupancy	56%	59%	57%	60%	61%	63%	43%	55%	57%
Occupied Room Nights	553,448	591,808	1,145,256	612,730	210,903	209,453	149,680	570,036	2,328,061
Average Daily Rate	$86	$85	$86	$85	$87	$97	$83	$90	$87
Rooms Revenue ($000)	$47,953	$50,325	$98,178	$52,169	$18,370	$20,298	$12,462	$51,087	$201,421

2004 PKF OUTLOOK AT JANUARY 1, 2004

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	11,288	11,288	11,288	11,288				11,288	11,288
Available Room Nights	1,015,920	1,027,208	2,043,128	1,038,496				1,038,496	4,120,120
Occupancy	55%	61%	58%	63%				56%	59%
Occupied Room Nights	555,731	624,019	1,179,750	656,629				580,508	2,416,886
Average Daily Rate	$85	$85	$85	$85				$85	$85
Rooms Revenue ($000)	$47,069	$53,271	$100,340	$55,809				$49,592	$205,741

SASKATCHEWAN 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.2%	0.2%	0.2%	1.3%	1.3%	1.3%	2.5%	1.7%	0.8%
Occupancy Points	1.0%	-1.8%	-0.4%	-3.5%	-3.1%	0.4%	1.2%	-0.6%	-1.2%
Occupied Room Nights	2.1%	-2.8%	-0.5%	-4.4%	-3.6%	1.9%	5.4%	0.6%	-1.3%
Average Daily Rate	7.1%	4.8%	5.9%	5.1%	7.0%	13.8%	4.0%	9.1%	6.5%
Rooms Revenue ($000)	9.3%	1.9%	5.4%	0.6%	3.1%	16.0%	10.6%	9.8%	5.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.0%	-2.9%	-1.4%	-4.0%	-3.6%	-0.1%	1.4%	-0.7%	-1.9%
Occupied Room Nights	0.1%	-4.7%	-2.5%	-6.2%	-5.5%	-0.1%	3.3%	-1.3%	-3.2%
Average Daily Rate	6.1%	3.8%	4.9%	4.1%	6.0%	12.7%	3.9%	8.0%	5.4%
Rooms Revenue ($000)	6.1%	-1.1%	2.3%	-2.4%	0.1%	12.6%	7.3%	6.5%	2.1%

2003 ACTUAL TO 2004 PKF OUTLOOK

SASKATCHEWAN	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	2.3%	2.3%	2.3%	1.2%				0.8%	1.6%
Occupancy Points	-1.0%	1.8%	0.4%	3.5%				0.6%	1.2%
Occupied Room Nights	0.4%	5.4%	3.0%	7.2%				1.8%	3.8%
Average Daily Rate	-2.0%	0.4%	-0.8%	-0.1%				-4.7%	-1.6%
Rooms Revenue ($000)	-1.6%	5.9%	2.2%	7.0%				-2.9%	2.1%
Variance to 2003 PKF Forecast ($000)	$2,791	-$565	$2,196	-$1,260	$21	$2,264	$853	$3,137	$4,053
Variance to 2002 Actuals ($000)	$4,087	$927	$5,009	$298	$559	$2,791	$1,193	$4,543	$9,839

7.2 REGINA/SASKATOON

2003 ANNUAL RESULTS

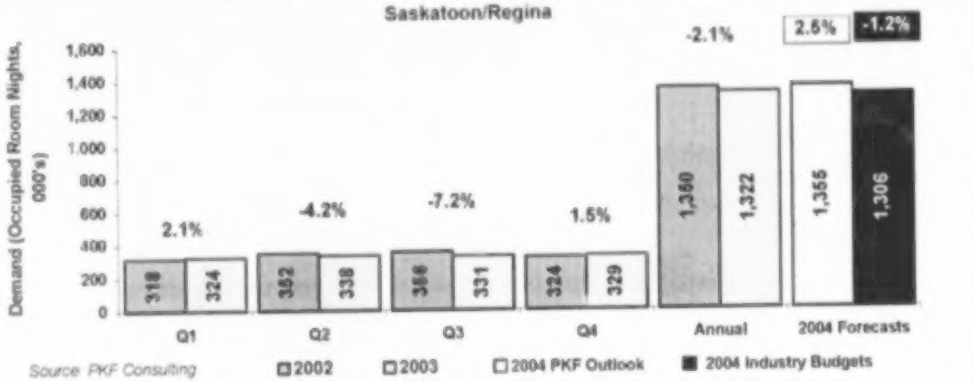
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Saskatoon/Regina market was 6,157 rooms – with the addition of 91 rooms in 2003.
- PKF estimates that 183 new guest rooms will be added to Saskatoon/Regina's accommodation inventory in 2004.

Demand

- During 2003, the Saskatoon/Regina hotel market achieved 59% occupancy at an average daily rate of $87.
- Demand for hotels rooms in Saskatoon/Regina **was down by 28,600 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Saskatoon/Regina's room nights improved in quarters 1 and 4 by 2.1% and 1.5% respectively while demand declined in quarter 2 by 4.2% and quarter 3 by 7.2%.
- Demand is forecasted by PKF to reach 1,355,000 room nights in 2004, which represents a 2.5% increase in demand compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Saskatoon/Regina



Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to an excellent start for Saskatoon/Regina's hotel operators with quarter 1 room revenue improving by 8.7%. A year-over-year decline was experienced in all remaining quarters of 2003 – quarter 2 (0.6%), quarter 3 (4.9%), quarter 4 (1.3%).
- Overall, 2003 room revenue was flat compared to 2002.

- PKF forecasts that 2004 room revenue in Saskatoon/Regina will reach $120.7 Million, a 5.4% improvement over 2003.
- The industry has budgeted for 56% occupancy at an average rate of $92 representing a 5.4% increase in room revenue compared to 2003.

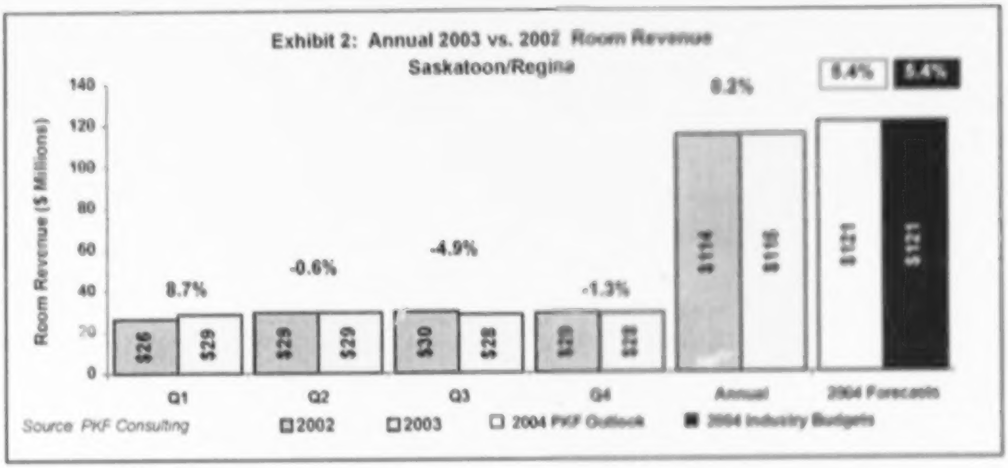


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Saskatoon/Regina

Source PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2004, Saskatoon/Regina hoteliers had pre-booked over 161,000 room nights for the upcoming months of October, November and December – approximately 10,000 fewer bookings then pre-booked for quarter 4 2003.
- The fill rate for the industry was 9.2% higher for quarter 4, 2003 with 14,000 additional room nights sold compared to 2002 during the quarter.

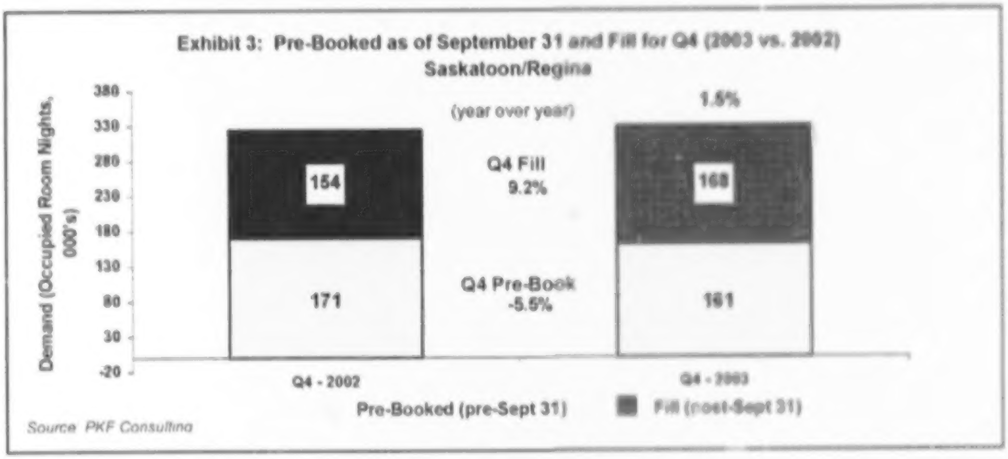


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
Saskatoon/Regina

Source PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

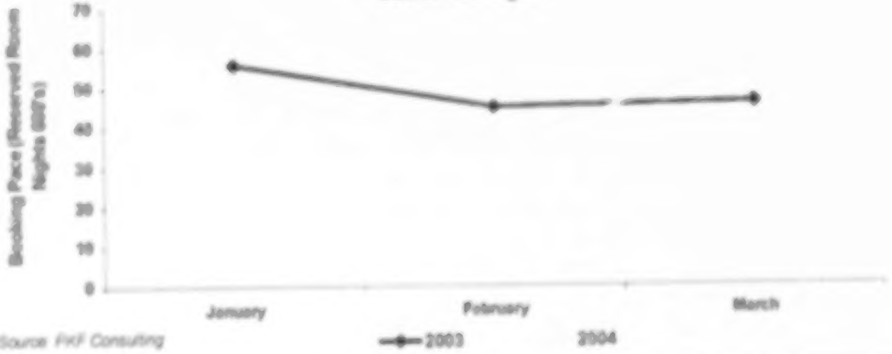
- Saskatoon/Regina accommodations experienced an improvement in demand during the 4th quarter, with the gain of 4,800 occupied room nights. Saskatoon/Regina hoteliers reported that other reasons (58%) and economic conditions (32%) were the factors that contributed to this gain.
- Saskatoon/Regina hoteliers reported that the majority of increased demand was due to more travellers from Canada (68%) and the United States (32%).
- Hotels in Saskatoon/Regina cited group leisure (39%) and independent travel leisure (34%) as the main sources of the increased demand for room nights in quarter 4.
- Hotels in Saskatoon/Regina attribute a majority of their improvement in 4th quarter demand to guest arriving via automobile (49%) and airplane (45%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 139,000 room nights or 43% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 147,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **8,000 fewer room nights** or a 6% decline in pre-booked room nights.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Saskatoon/Regina



Source: PKF Consulting

Saskatoon/Regina

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,031	6,066	6,066	6,066	6,066	6,066	6,066	6,066	6,066
Available Room Nights	541,042	552,006	1,097,048	558,072	188,046	181,980	188,046	558,072	2,214,090
Occupancy	58%	64%	61%	64%	66%	66%	43%	58%	61%
Occupied Room Nights	317,616	352,256	669,917	356,250	124,268	120,107	79,820	324,325	1,350,492
Average Daily Rate	$83	$84	$83	$83	$85	$88	$91	$88	$85
Rooms Revenue ($000)	$26,313	$29,474	$55,787	$29,658	$10,506	$11,826	$8,478	$28,814	$114,25[illegible]

2003 ACTUAL RESULTS

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	6,095	6,085	6,085	6,205	6,205	6,205	6,340	6,250	6,157
Available Room Nights	547,650	553,735	1,101,385	570,860	192,355	186,150	196,540	575,045	2,247,290
Occupancy	59.3%	61%	60%	59%	63%	66%	43%	57%	59%
Occupied Room Nights	324,483	337,626	662,109	330,640	121,853	122,673	84,512	329,138	1,321,887
Average Daily Rate	$88	$87	$87	$85	$87	$88	$91	$88	$87
Rooms Revenue ($000)	$28,592	$29,301	$57,893	$28,205	$10,643	$10,754	$7,036	$28,433	$114,53[illegible]

BOOKING PATTERNS

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	147,028	175,537	322,565	149,684	66,680	63,155	20,953	170,788	643,037
% OF Rooms Sold	46%	50%	48%	42%	70%	53%	26%	53%	48%
2003 BOOKINGS	152,815	196,342	348,857	118,898	72,287	68,606	20,510	161,403	629,358
% OF Rooms Sold	47%	58%	53%	36%	59%	56%	24%	49%	48%
2002/2003 VARIANCE	4%	12%	8%	-21%	-17%	9%	-2%	-5%	-2%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.3%	0.3%	0.3%	2.3%	2.3%	2.3%	4.5%	3.0%	1.5%
Occupancy Points	1.1%	-2.8%	-0.8%	-5.9%	-2.7%	-0.1%	0.5%	-0.9%	-2.2%
Occupied Room Nights	2.1%	-4.2%	-1.2%	-7.2%	-1.9%	2.1%	5.7%	1.5%	-2.1%
Average Daily Rate	6.6%	3.7%	5.0%	3.0%	3.3%	-11.0%	2.7%	-2.8%	2.4%
Rooms Revenue ($000)	8.7%	-0.6%	3.8%	-4.9%	1.3%	-9.1%	8.8%	-1.3%	0.2%

2003 ACTUAL TO 2003 PKF CUTLOOK

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.5%	-3.5%	-1.5%	-5.3%	-2.7%	0.5%	1.7%	0.0%	-2.1%
Occupied Room Nights	0.8%	-5.6%	-2.4%	-8.4%	-3.5%	0.8%	4.1%	0.0%	-3.4%
Average Daily Rate	5.3%	2.7%	4.0%	1.5%	1.9%	-1.0%	1.7%	0.7%	2.5%
Rooms Revenue ($000)	6.2%	-2.9%	1.4%	-7.1%	-1.6%	-0.2%	5.9%	0.7%	-1.2%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.3%	-5.3%	-2.5%	-8.6%	-5.4%	-17.1%	9.0%	-4.3%	-4.5%
Occupied Room Nights	0.0%	-8.0%	-4.0%	-12.0%	-7.0%	-29.6%	26.3%	-7.0%	-7.1%
Average Daily Rate	-1.0%	-0.3%	-0.6%	-4.6%	-1.5%	-18.1%	2.7%	-9.3%	-4.1%
Rooms Revenue ($000)	-1.0%	-9.3%	-6.0%	-17.2%	-8.3%	-35.0%	29.8%	-15.6%	-10.9%

REVENUE VARIANCE SUMMARY

Saskatoon/Regina	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$2,280	-$174	$2,106	-$1,451	$137	-$1,070	$556	-$380	$276
2003 Actual versus 2003 PKF Outlook ($000)	$1,667	-$860	$806	-$2,143	-$175	-$25	$392	$192	-$1,14[illegible]

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	16%	775	Business Travel	6%	300
Local/Regional Economic Conditions	16%	775	Independent Leisure Travel	34%	1,639
Destination Marketing Promotions/Packages	0%	-	Group Leisure	39%	1,872
Increased Supply/Competition	8%	406	Meetings/Convention Travel	16%	751
Geopolitical Reasons (Iraq War, Residual 9/11)	1%	25	Government	5%	251
Fear/Impacts Associated with SARS	1%	25	Other	0%	-
Other Reasons	58%	2,807			
Total	100%	4,813	**Total**	100%	4,813
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	68%	3,275	Air	45%	2,186
US Travel	32%	1,538	Automobile	49%	2,369
Overseas Travel	0%	-	Motorcoach	5%	258
			Other	0%	-
Total	100%	4,813	**Total**	100%	4,813

Saskatoon/Regina

2004 OUTLOOK

2003 ACTUAL RESULTS

Saskatoon/Regina	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	6,085	6,085	6,085	6,085	6,085	6,085	6,205	6,250	6,157
Available Room Nights	188,635	170,380	188,635	547,650	553,735	1,101,385	570,860	575,045	2,247,290
Occupancy	54%	61%	64%	59%	61%	60%	58%	57%	59%
Occupied Room Nights	100,920	103,591	119,972	324,483	337,626	662,109	330,640	329,138	1,321,887
Average Daily Rate	$88	$87	$90	$88	$87	$87	$85	$86	$87
Rooms Revenue ($000)	$8,853	$9,002	$10,737	$28,592	$29,301	$57,893	$28,205	$28,435	$114,533

2004 PKF OUTLOOK AT JANUARY 1, 2004

Saskatoon/Regina	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340
Available Room Nights	196,540	177,520	196,540	570,600	576,940	1,147,540	583,280	583,280	2,314,100
Occupancy	52%	59%	62%	58%	60%	59%	59%	58%	59%
Occupied Room Nights	102,201	104,737	121,855	328,792	346,227	675,020	344,072	335,830	1,354,921
Average Daily Rate	$90	$90	$90	$90	$90	$90	$88	$88	$89
Rooms Revenue ($000)	$9,198	$9,426	$10,967	$29,591	$31,067	$60,659	$30,400	$29,668	$120,727

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Saskatoon/Regina	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340
Available Room Nights	196,540	177,520	196,540	570,600	576,940	1,147,540	583,280	583,280	2,314,100
Occupancy	47%	56%	60%	54%	60%	57%	54%	58%	56%
Occupied Room Nights	91,537	100,102	118,783	310,422	344,335	654,757	313,691	337,662	1,306,110
Average Daily Rate	$91	$92	$106	$97	$92	$94	$93	$88	$92
Rooms Revenue ($000)	$8,332	$9,176	$12,622	$30,131	$31,580	$61,711	$29,191	$29,784	$120,686

2004 BOOKING PATTERNS

Saskatoon/Regina	January	February	March	1st Quarter
2003 BOOKINGS	55,906	45,076	46,046	147,028
% Of Rooms Sold	55%	44%	38%	45%
2004 BOOKINGS	49,227	34,970	57,518	138,732
% Of Rooms Sold	49%	34%	48%	43%
2003/2004 VARIANCE	-12%	-22%	25%	-6%

2004 PKF OUTLOOK versus 2003 ACTUAL

Saskatoon/Regina	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	2.2%	1.4%	3.0%
Occupancy Points	-1.5%	-1.8%	-1.6%	-1.6%	-1.0%	-1.3%	1.1%	0.3%	-0.3%
Occupied Room Nights	1.3%	1.1%	1.6%	1.3%	2.5%	1.9%	4.1%	2.0%	2.5%
Average Daily Rate	2.6%	3.6%	0.6%	2.1%	3.4%	2.8%	3.6%	2.3%	2.8%
Rooms Revenue ($000)	3.9%	4.7%	2.1%	3.5%	6.0%	4.8%	7.8%	4.3%	5.4%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Saskatoon/Regina	January	February	Marc h	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	-6.9%	-4.4%	-3.2%	-4.8%	-1.3%	-3.1%	-4.1%	0.7%	-2.4%
Occupied Room Nights	-9.3%	-3.4%	-1.0%	-4.3%	2.0%	-1.1%	-5.1%	2.6%	-1.2%
Average Daily Rate	3.8%	5.5%	18.7%	10.2%	5.7%	7.8%	9.1%	2.1%	6.6%
Rooms Revenue ($000)	-5.9%	1.9%	17.6%	5.4%	7.8%	6.6%	3.5%	4.7%	5.4%

Q1'04 CANCELLATIONS	**%**	**ORN**	**Potential**
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

7.3 OTHER SASKATCHEWAN MARKETS

2003 ANNUAL RESULTS

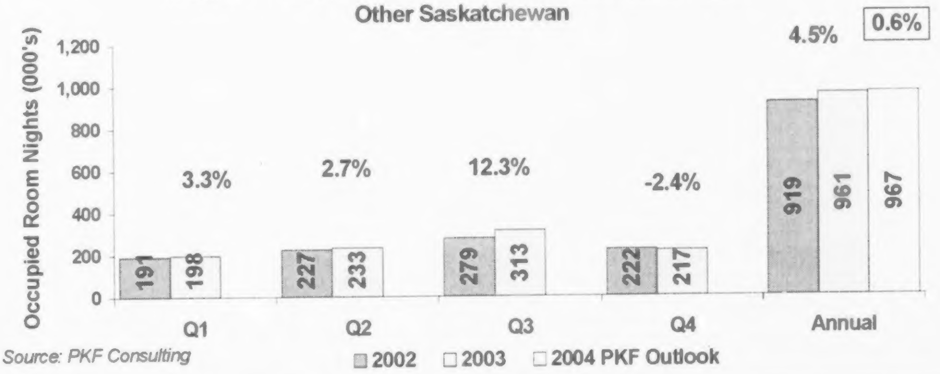
Total Provincial Supply Inventory

- Saskatchewan's other accommodation markets averaged 4,948 rooms in 2003 – with no new additions or closures in 2003.

Demand

- Saskatchewan's other hotel markets achieved 53% occupancy at an average daily rate of $82. Occupancy levels were up by 2 percentage points with average rate also improving, by $10.
- Demand for Saskatchewan's other hotels was **up approximately 41,000 room nights or 4.5% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in other Saskatchewan markets improved in the first three quarters of 2003 by 3.3%, 2.7% and 12.3%, respectively before declining by 2.4% in quarter 4.
- Demand is forecasted by PKF to reach nearly 967,000 room nights in 2004, which represents a 0.6% increase in demand over 2003.

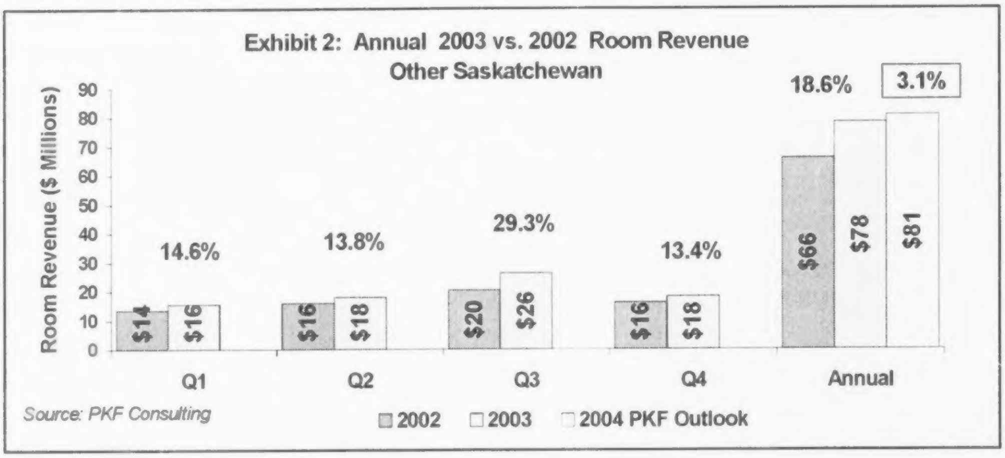
Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Other Saskatchewan



Source: PKF Consulting

Room Revenue

- From a room revenue perspective, other Saskatchewan markets experienced substantial improvements in room revenue in every quarter of 2003. Room revenue improved by 14.6% in quarter 1, 13.8% in quarter 2, 29.3% in quarter 3 and 13.4% in quarter 4.
- Overall, other Saskatchewan hotel markets reported a $12 Million improvement in room revenue in 2003 compared to 2002.
- PKF forecasts that other Saskatchewan hotel markets will reach total room revenues of almost $81 Million in 2004, representing a 3.1% improvement from 2003 revenue levels.



Source: PKF Consulting

OTHER SASKATCHEWAN 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948
Available Room Nights	445,320	450,268	895,588	455,216	153,388	148,440	153,388	455,216	1,806,020
Occupancy	43%	50%	47%	61%	58%	50%	39%	49%	51%
Occupied Room Nights	191,428	226,560	417,988	278,795	88,351	74,665	59,315	222,332	919,114
Average Daily Rate	$71	$70	$71	$73	$70	$74	$74	$72	$72
Rooms Revenue ($000)	$13,617	$15,913	$29,530	$20,392	$6,208	$5,527	$4,382	$16,117	$66,039

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948
Available Room Nights	445,320	450,268	895,588	455,216	153,388	148,440	153,388	455,216	1,806,020
Occupancy (2% Demand Growth)	44%	51%	48%	62%	59%	51%	39%	50%	52%
Occupied Room Nights	195,257	231,091	426,347	284,370	90,119	76,159	60,501	226,779	937,497
Average Daily Rate (1% Growth)	$72	$71	$71	$74	$71	$75	$75	$73	$73
Rooms Revenue ($000)	$14,029	$16,394	$30,422	$21,007	$6,396	$5,694	$4,515	$16,604	$68,034

2003 ACTUAL RESULTS

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948	4,948
Available Room Nights	445,320	450,268	895,588	455,216	153,388	148,440	153,388	455,216	1,806,020
Occupancy	44%	52%	48%	69%	52%	49%	42%	48%	53%
Occupied Room Nights	197,712	232,673	430,385	313,185	80,069	73,032	63,932	217,033	960,604
Average Daily Rate	$79	$78	$78	$84	$83	$86	$83	$84	$82
Rooms Revenue ($000)	$15,603	$18,112	$33,716	$26,361	$6,679	$6,277	$5,314	$18,270	$78,347

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	4,948	4,948	4,948	4,948				4,948	4,948
Available Room Nights	445,320	450,268	895,588	455,216				455,216	1,806,020
Occupany	44%	52%	48%	70%				48%	54%
Occupied Room Nights	197,712	235,574	433,286	316,499				217,033	966,818
Average Daily Rate	$81	$80	$80	$86				$86	$84
Rooms Revenue ($000)	$15,975	$18,843	$34,818	$27,263				$18,667	$80,748

OTHER SASKATCHEWAN 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	1.4%	1.4%	1.4%	7.6%	-5.4%	-1.1%	3.0%	-1.2%	2.3%
Occupied Room Nights	3.3%	2.7%	3.0%	12.3%	-9.4%	-2.2%	7.8%	-2.4%	4.5%
Average Daily Rate	10.9%	10.8%	10.9%	15.1%	18.7%	16.1%	12.5%	16.1%	13.5%
Rooms Revenue ($000)	14.6%	13.8%	14.2%	29.3%	7.6%	13.6%	21.3%	13.4%	18.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.6%	0.4%	0.5%	6.3%	-6.6%	-2.1%	2.2%	-2.1%	1.3%
Occupied Room Nights	1.3%	0.7%	0.9%	10.1%	-11.2%	-4.1%	5.7%	-4.3%	2.5%
Average Daily Rate	9.8%	9.7%	9.8%	13.9%	17.5%	15.0%	11.4%	15.0%	12.4%
Rooms Revenue ($000)	11.2%	10.5%	10.8%	25.5%	4.4%	10.2%	17.7%	10.0%	15.2%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Saskatchewan	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.0%	0.6%	0.3%	0.7%				0.0%	0.3%
Occupied Room Nights	0.0%	1.2%	0.7%	1.1%				0.0%	0.6%
Average Daily Rate	2.4%	2.8%	2.6%	2.3%				2.2%	2.4%
Rooms Revenue ($000)	2.4%	4.0%	3.3%	3.4%				2.2%	3.1%
Variance to 2003 PKF Forecast ($000)	*$1,575*	*$1,719*	*$3,294*	*$5,353*	*$283*	*$584*	*$799*	*$1,666*	*$10,313*
Variance to 2002 Actuals ($000)	*$1,986*	*$2,199*	*$4,185*	*$5,969*	*$471*	*$750*	*$932*	*$2,153*	*$12,307*

8.0 ALBERTA PROVINCIAL/MARKET PERFORMANCE

8.1 PROVINCE OF ALBERTA (Excluding Resorts)

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of Alberta's accommodation market averaged 40,888 rooms in 2003 – a 2.2% increase over 2002, due to the addition of 868 new rooms.
- PKF estimates that room supply will increase by 1.0% in 2004 with the addition of 463 rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002 Occ.	Annual 2002 ADR	Annual 2003 Occ.	Annual 2003 ADR	% Change Demand	% Change ADR	Annual 2004 PKF Outlook	
Calgary	63%	$106	61%	$105	-4%	-1%	63%	$108
Edmonton	72%	$91	62%	$96	-12%	5%	62%	$98
Alberta Resorts	63%	$201	56%	$206	-10%	3%	62%	$210
Other Alberta	59%	$81	60%	$83	4%	2%	60%	$86
Total Alberta (excl.Resorts)	**66%**	**$95**	**61%**	**$97**	**-5%**	**2%**	**65%**	**$100**

Source: PKF Consulting

- Alberta's hotel market achieved 61% occupancy at an average daily rate of $97 in 2003. Occupancy levels were down by 5 percentage points, with the average daily rate down by $2 from 2002.
- Demand for Alberta's hotels was **down approximately 463,000 room nights or 4.8% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in Alberta declined in the first three quarters of 2003 – quarter 1 (-3.2%), quarter 2 (-10.5%) and quarter 3 (6.0%). Alberta accommodations posted a 2.0% improvement in year-over-year demand in quarter 4, 2003.
- Demand is forecasted by PKF to reach 9,745,000 room nights in 2004, a 6.9% increase from 2003.

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8.1 PROVINCE OF ALBERTA (Excluding Resorts)

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- PKF estimates that room supply will increase by 1.0% in 2004 with the addition of 463 rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

Market	Annual 2002		Annual 2003		% Change		Annual 2004	
	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Calgary	63%	$106	61%	$105	-4%	-1%	63%	$108
Edmonton	72%	$91	62%	$96	-12%	5%	62%	$98
Alberta Resorts	63%	$201	56%	$206	-10%	3%	62%	$210
Other Alberta	59%	$81	60%	$83	4%	2%	60%	$86
Total Alberta (excl.Resorts)	**66%**	**$95**	**61%**	**$97**	**-5%**	**2%**	**65%**	**$100**

Source: PKF Consulting

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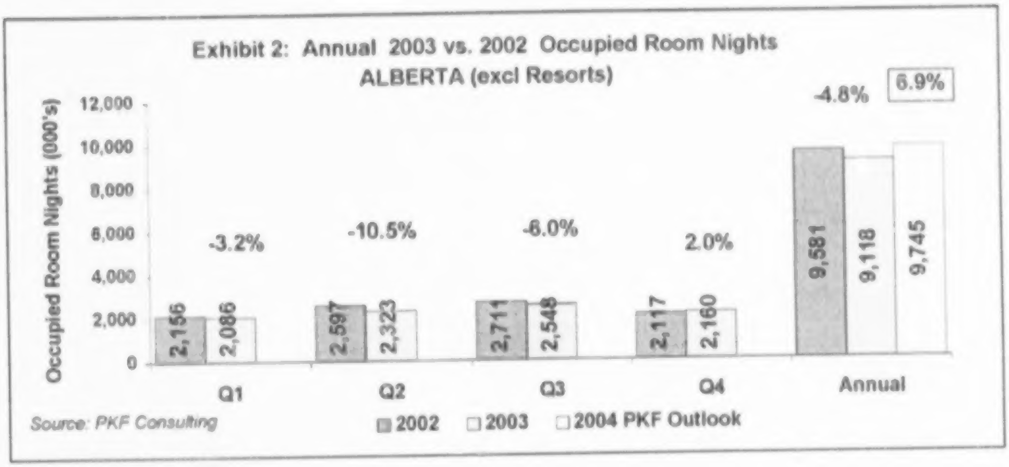
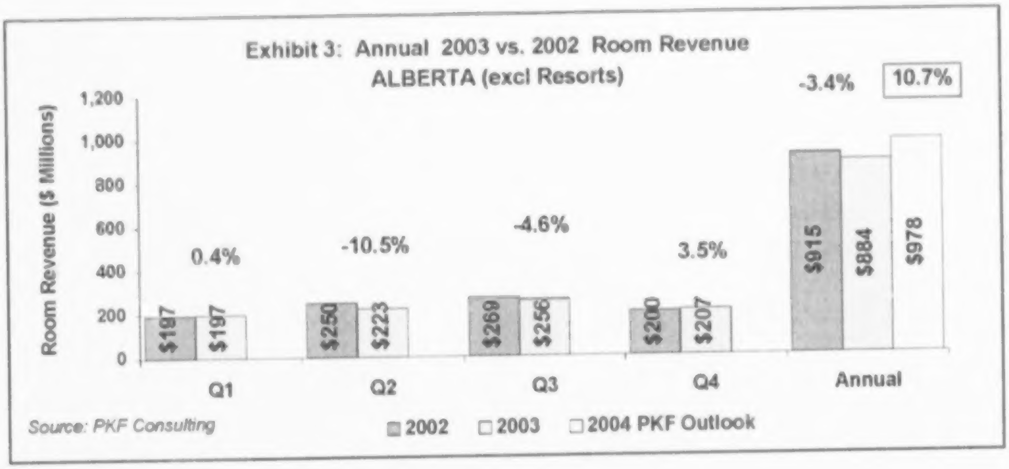
- Demand is forecasted by PKF to reach 9,745,000 room nights in 2004, a 6.9% increase from 2003.



Source: PKF Consulting

Room Revenue

- Room revenue was 0.4% higher in the 1st quarter of 2003 before declining by 10.5%, 4.6% in the 2nd and 3rd quarters of 2003, respectively. A 3.5% gain in room revenue was experienced in the final quarter of 2003.
- Overall, 2003 room revenue declined by $30.8 Million (3.4%) compared to 2002 due to the erosion of demand.
- PKF forecasts that 2004 room revenue in British Columbia will reach $978 Million, a 10.7% improvement over 2003.



Source: PKF Consulting

ALBERTA (excl Resorts) 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	39,827	39,903	39,865	40,113	40,232	40,232	40,232	40,232	40,020
Available Room Nights	3,584,430	3,631,146	7,215,576	3,690,400	1,247,192	1,206,960	1,247,192	3,701,344	14,607,320
Occupancy	60%	72%	66%	73%	64%	63%	45%	57%	66%
Occupied Room Nights	2,156,433	2,596,582	4,753,015	2,711,471	796,956	756,764	563,232	2,116,952	9,581,437
Average Daily Rate	$91	$96	$94	$99	$96	$97	$89	$94	$95
Rooms Revenue ($000)	$196,746	$249,567	$446,313	$268,513	$76,173	$73,194	$50,330	$199,698	$914,523

2003 PKF OUTLOOK AT JANUARY 1, 2003

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	40,525	40,831	40,679	40,962	41,108	41,285	41,285	41,225	40,888
Available Room Nights	3,647,220	3,715,602	7,362,822	3,768,504	1,274,348	1,238,550	1,279,835	3,792,733	14,924,059
Occupancy	59%	70%	64%	72%	62%	61%	44%	56%	64%
Occupied Room Nights	2,145,651	2,583,599	4,729,250	2,697,914	792,971	752,980	560,416	2,106,367	9,533,530
Average Daily Rate	$93	$98	$96	$101	$97	$99	$91	$96	$97
Rooms Revenue ($000)	$199,677	$253,286	$452,963	$272,514	$77,308	$74,285	$51,080	$202,673	$928,150

2003 ACTUAL RESULTS

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	40,525	40,831	40,679	40,962	41,108	41,285	41,285	41,225	40,888
Available Room Nights	3,647,220	3,715,602	7,362,822	3,768,504	1,274,348	1,238,550	1,279,835	3,792,733	14,924,059
Occupancy	57%	63%	60%	68%	64%	61%	46%	57%	61%
Occupied Room Nights	2,086,446	2,323,480	4,409,927	2,548,029	809,211	756,754	594,227	2,160,192	9,118,148
Average Daily Rate	$95	$96	$95	$100	$96	$97	$94	$96	$97
Rooms Revenue ($000)	$197,492	$223,395	$420,888	$256,036	$78,056	$73,095	$55,626	$206,777	$883,700

2004 PKF OUTLOOK AT JANUARY 1, 2004

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	41,285	41,285	41,285	41,285				41,548	41,351
Available Room Nights	3,715,650	3,756,935	7,472,585	3,798,220				3,822,449	15,093,254
Occupancy	58%	67%	62%	74%				60%	65%
Occupied Room Nights	2,162,921	2,503,935	4,666,856	2,799,536				2,278,632	9,745,025
Average Daily Rate	$96	$101	$99	$104				$99	$100
Rooms Revenue ($000)	$208,498	$253,224	$461,722	$291,299				$224,982	$978,003

ALBERTA (excl. Resorts) 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.8%	2.3%	2.0%	2.1%	2.2%	2.6%	2.6%	2.5%	2.2%
Occupancy Points	-3.0%	-9.0%	-6.0%	-5.9%	-0.4%	-1.6%	1.3%	-0.2%	-4.5%
Occupied Room Nights	-3.2%	-10.5%	-7.2%	-6.0%	1.5%	0.0%	5.5%	2.0%	-4.8%
Average Daily Rate	3.7%	0.0%	1.6%	1.5%	0.9%	-0.1%	4.6%	1.5%	1.5%
Rooms Revenue ($000)	0.4%	-10.5%	-5.7%	-4.6%	2.5%	-0.1%	10.5%	3.5%	-3.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.6%	-7.0%	-4.3%	-4.0%	1.3%	0.3%	2.6%	1.4%	-2.8%
Occupied Room Nights	-2.8%	-10.1%	-6.8%	-5.6%	2.0%	0.5%	6.0%	2.6%	-4.4%
Average Daily Rate	1.7%	-1.9%	-0.4%	-0.5%	-1.1%	-2.1%	2.7%	-0.5%	-0.5%
Rooms Revenue ($000)	-1.1%	-11.8%	-7.1%	-6.0%	1.0%	-1.6%	8.9%	2.0%	-4.8%

2003 ACTUAL TO 2004 PKF OUTLOOK

ALBERTA (excl Resorts)	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1.9%	1.1%	1.5%	0.8%				0.8%	1.1%
Occupancy Points	1.0%	4.1%	2.6%	6.1%				2.7%	3.5%
Occupied Room Nights	3.7%	7.8%	5.8%	9.9%				5.5%	6.9%
Average Daily Rate	1.8%	5.2%	3.7%	3.6%				3.1%	3.6%
Rooms Revenue ($000)	5.6%	13.4%	9.7%	13.8%				8.8%	10.7%
Variance to PKF Forecast ($000)	*-$2,185*	*-$29,890*	*-$32,075*	*-$16,479*	*$748*	*-$1,190*	*$4,545*	*$4,104*	*-$44,450*
Variance to 2002 Actuals ($000)	*$747*	*-$26,172*	*-$25,425*	*-$12,478*	*$1,883*	*-$99*	*$5,295*	*$7,079*	*-$30,823*

8.2 CALGARY

2003 ANNUAL RESULTS

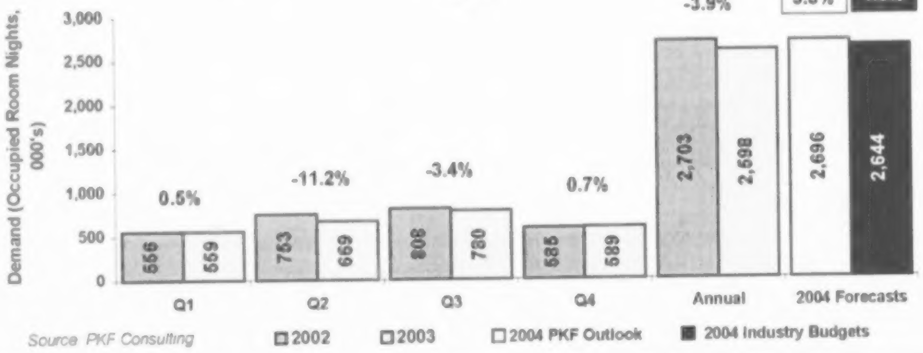
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Calgary market was 11,696 rooms – with the loss of 20 rooms in 2003.
- PKF estimates that 78 new guest rooms will be added to Calgary's accommodation inventory in 2004 resulting in a 0.7% supply growth.

Demand

- During 2003, the Calgary hotel market achieved 61% occupancy at an average daily rate of $105.
- Demand for hotels rooms in Calgary **was down by 106,000 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Calgary's room nights improved in quarters 1 and 4 by 0.5% and 0.7%, respectively while demand declined in quarter 2 by 11.2% and by 3.4% in quarter 3.
- Demand is forecasted by PKF to reach 2,696,000 room nights in 2004, which represents a 3.8 % increase in demand compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Calgary



Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to a moderate start for Calgary's hotel operators with quarter 1 room revenue improving by 1.4%. A year-over-year decline of 15.5% and 5.2% was posted in quarters 2 and 3 before improving by 2.5% in quarter 4.
- Overall, 2003 room revenue declined by $15 Million (5.3%) compared to 2002 due primarily to a decline in demand.

- PKF forecasts that 2004 room revenue in Calgary will reach $290 Million, a 6.5% improvement over 2003.
- The industry in the Calgary market has budgeted for 62% occupancy at an average rate of $109 equating to a 5.6% increase in room revenue compared to 2003.

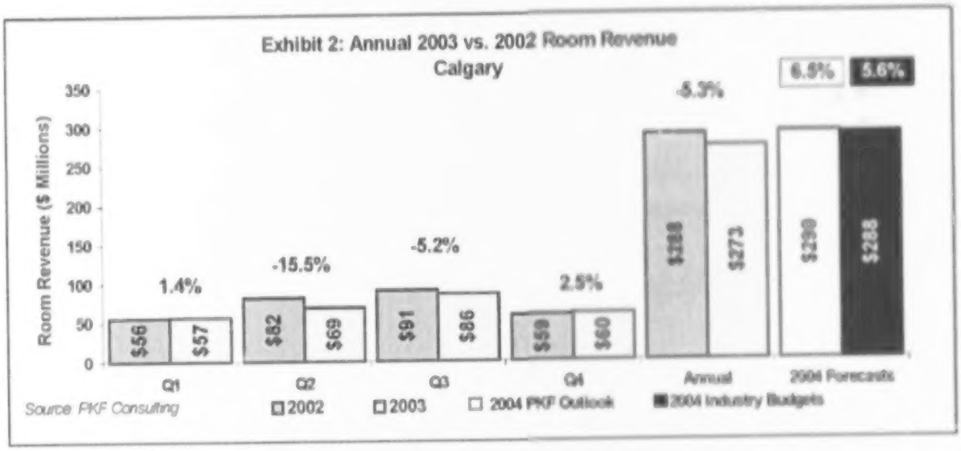


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Calgary

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Calgary hoteliers had pre-booked over 189,438 room nights for the upcoming months of October, November and December – approximately 10,000 fewer bookings then pre-booked for quarter 4 2002.
- The fill rate for the industry was 3.8% higher for quarter 4, 2003 with 15,000 additional room nights sold compared to 2002 during the quarter.

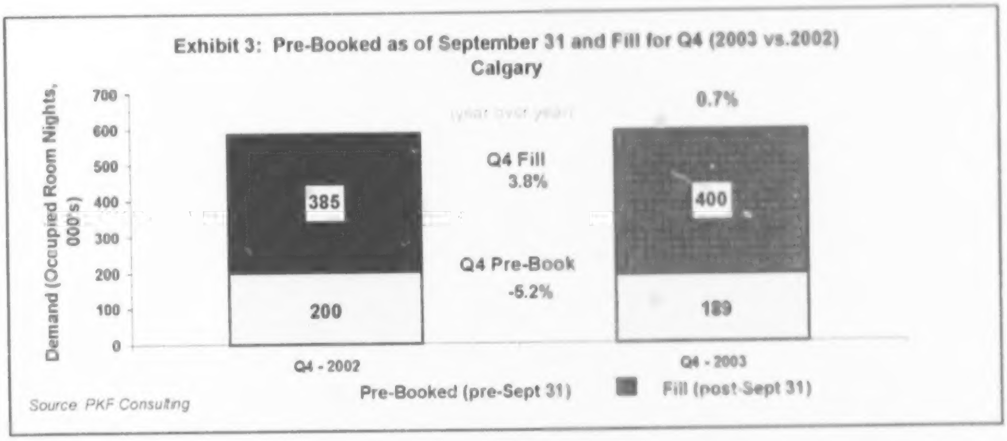


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs.2002)
Calgary

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Calgary accommodation operators experienced an improvement in demand during the 4th quarter, with the gain of 4,200 occupied room nights. They reported that economic conditions (70%) and destination marketing programs (25%) were the main factors that contributed to this gain.

- Calgary hoteliers reported that the majority of increased demand was due to more domestic travellers (72%) with most of the remaining from the United States (22%).

- Hotels in Calgary cited independent leisure travel (39%) and business travel (33%) as the segments most responsible for the improvement in quarter 4 demand.

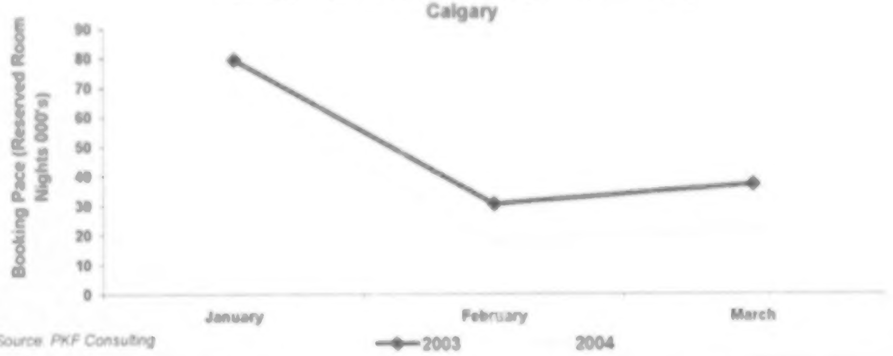
- Hotels in Calgary attribute a majority of their improvement in 4th quarter demand to guest arriving via airplane (62%) and automobile (36%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 107,000 room nights or 19% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 147,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **40,000 fewer room nights** or a 28% decline in pre-booked room nights.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Calgary



Source: PKF Consulting

Calgary

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,716	11,716	11,716	11,716	11,716	11,716	11,716	11,716	11,716
Available Room Nights	1,054,440	1,066,156	2,120,596	1,077,872	363,196	351,480	363,196	1,077,872	4,276,340
Occupancy	53%	71%	62%	75%	64%	57%	42%	54%	63%
Occupied Room Nights	556,475	753,320	1,309,795	808,282	233,536	198,930	152,766	585,233	2,703,310
Average Daily Rate	$101	$109	$106	$112	$103	$102	$95	$101	$106
Rooms Revenue ($000)	$56,419	$81,904	$138,322	$90,536	$24,087	$20,329	$14,482	$58,898	$287,756

2003 ACTUAL RESULTS

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,666	11,666	11,666	11,666	11,666	11,843	11,843	11,783	11,696
Available Room Nights	1,049,940	1,061,606	2,111,546	1,073,272	361,646	355,290	367,133	1,084,069	4,268,887
Occupancy	53%	63%	58%	73%	63%	56%	45%	54%	61%
Occupied Room Nights	559,081	668,615	1,227,696	780,475	227,475	198,252	163,705	589,432	2,597,603
Average Daily Rate	$102	$104	$103	$110	$105	$103	$99	$102	$105
Rooms Revenue ($000)	$57,207	$69,212	$126,419	$85,841	$23,817	$20,349	$16,202	$60,367	$272,627

BOOKING PATTERNS

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	147,307	300,606	447,913	323,366	122,926	42,501	34,318	199,836	971,115
% Of Rooms Sold	26%	40%	34%	40%	53%	21%	22%	34%	36%
2003 BOOKINGS	134,794	202,031	336,824	285,886	116,280	42,772	30,400	189,430	812,157
% Of Rooms Sold	24%	30%	27%	37%	51%	22%	19%	32%	31%
2002/2003 VARIANCE	-8%	-33%	-25%	-12%	-5%	0%	-11%	-5%	-16%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	1.1%	1.1%	0.6%	-0.2%
Occupancy Points	0.5%	-7.7%	-3.6%	-2.3%	-1.4%	-0.8%	2.5%	0.1%	-2.4%
Occupied Room Nights	0.5%	-11.2%	-6.3%	-3.4%	-2.6%	-0.3%	7.2%	0.7%	-3.9%
Average Daily Rate	0.9%	-4.8%	-2.9%	-1.8%	1.5%	0.4%	4.4%	1.8%	-1.4%
Rooms Revenue ($000)	1.4%	-15.5%	-8.6%	-5.2%	-1.1%	0.1%	11.9%	2.5%	-5.3%

2003 ACTUAL TO 2003 PKF OUTLOOK

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.8%	-9.4%	-5.1%	-3.7%	-2.0%	-0.8%	2.0%	-0.3%	-3.8%
Occupied Room Nights	-1.5%	-13.0%	-8.1%	-5.3%	-4.5%	-1.4%	4.7%	-1.0%	-5.8%
Average Daily Rate	-0.1%	-5.7%	-3.5%	-2.8%	0.3%	-0.6%	2.5%	0.4%	-2.4%
Rooms Revenue ($000)	-1.6%	-18.0%	-11.3%	-8.0%	-4.2%	-2.0%	7.3%	-0.6%	-8.1%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.2%	-8.3%	-3.8%	-2.2%	-10.7%	-13.8%	-8.9%	-13.2%	-5.8%
Occupied Room Nights	-2.2%	-9.1%	-6.1%	-3.4%	-22.2%	-19.7%	-16.5%	-19.9%	-8.9%
Average Daily Rate	-1.1%	-5.9%	-3.9%	-3.4%	-10.7%	-11.0%	-4.1%	-9.3%	-5.0%
Rooms Revenue ($000)	-3.3%	-14.5%	-9.8%	-6.7%	-30.5%	-28.6%	-20.0%	-27.3%	-13.5%

REVENUE VARIANCE SUMMARY

Calgary	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$789	-$12,692	-$11,903	-$4,697	-$270	$19	$1,720	$1,469	-$15,131
2003 Actual versus 2003 PKF Outlook ($000)	-$915	-$15,166	-$16,081	-$7,431	-$1,050	-$418	$1,102	-$366	-$23,878

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	29%	1,229
Local/Regional Economic Conditions	41%	1,726
Destination Marketing Promotions/Packages	25%	1,060
Increased Supply/Competition	3%	107
Geopolitical Reasons (Iraq War, Residual 9/11)	2%	67
Fear/Impacts Associated with SARS	0%	10
Other Reasons	0%	-
Total	**100%**	**4,199**

SEGMENTATION	%	ORN
Business Travel	33%	1,382
Independent Leisure Travel	39%	1,647
Group Leisure	16%	656
Meetings/Convention Travel	10%	417
Government	2%	98
Other	0%	-
Total	**100%**	**4,199**

GUEST ORIGIN	%	ORN
Domestic Travel	72%	3,009
US Travel	22%	924
Overseas Travel	6%	266
Total	**100%**	**4,199**

TRANSPORTATION	%	ORN
Air	62%	2,620
Automobile	36%	1,498
Motorcoach	2%	82
Other	0%	-
Total	**100%**	**4,199**

Calgary

2004 OUTLOOK

2003 ACTUAL RESULTS

Calgary	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,666	11,666	11,666	11,666	11,666	11,666	11,666	11,783	11,[illegible]
Available Room Nights	361,646	326,648	361,646	1,049,940	1,061,606	2,111,546	1,073,272	1,084,069	4,268,887
Occupancy	49%	57%	55%	53%	63%	58%	73%	54%	61%
Occupied Room Nights	176,122	185,863	197,097	559,081	668,615	1,227,696	780,475	589,432	2,597,603
Average Daily Rate	$101	$104	$102	$102	$104	$103	$110	$102	$105
Rooms Revenue ($000)	$17,762	$19,278	$20,167	$57,207	$69,212	$126,419	$85,841	$60,367	$272,627

2004 PKF OUTLOOK AT JANUARY 1, 2004

Calgary	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,843	11,843	11,843	11,843	11,729	11,786	11,763	11,763	11,774
Available Room Nights	367,133	331,604	367,133	1,065,870	1,067,383	2,133,253	1,082,196	1,082,196	4,297,645
Occupancy	48%	55%	54%	52%	69%	61%	74%	56%	63%
Occupied Room Nights	176,224	182,382	198,252	556,858	736,191	1,293,049	797,414	605,559	2,696,022
Average Daily Rate	$101	$105	$104	$103	$109	$106	$114	$103	$108
Rooms Revenue ($000)	$17,799	$19,150	$20,618	$57,567	$79,905	$137,472	$90,523	$62,340	$290,335

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Calgary	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,843	11,843	11,843	11,843	11,729	11,786	11,763	11,763	11,774
Available Room Nights	367,133	331,604	367,133	1,065,870	1,067,383	2,133,253	1,082,196	1,082,196	4,297,645
Occupancy	49%	53%	55%	52%	65%	58%	73%	56%	62%
Occupied Room Nights	180,271	176,615	200,311	557,197	690,520	1,247,716	792,326	604,259	2,644,302
Average Daily Rate	$104	$106	$104	$105	$107	$106	$115	$107	$109
Rooms Revenue ($000)	$18,773	$18,705	$20,807	$58,285	$73,747	$132,033	$91,041	$64,810	$287,884

2004 BOOKING PATTERNS

Calgary	January	February	March	1st Quarter
2003 BOOKINGS	79,603	30,564	37,141	147,307
% Of Rooms Sold	45%	16%	19%	26%
2004 BOOKINGS	68,830	18,327	21,524	106,687
% Of Rooms Sold	39%	10%	11%	19%
2003/2004 VARIANCE	-14%	-40%	-42%	-28%

2004 PKF OUTLOOK versus 2003 ACTUAL

Calgary	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	1.5%	1.5%	1.5%	1.5%	0.5%	1.0%	0.8%	-0.2%	0.7%
Occupancy Points	-0.7%	-1.9%	-0.5%	-1.0%	6.0%	2.5%	1.0%	1.6%	1.9%
Occupied Room Nights	0.1%	-1.9%	0.6%	-0.4%	10.1%	5.3%	2.2%	2.7%	3.8%
Average Daily Rate	0.1%	1.2%	1.6%	1.0%	4.9%	3.2%	3.2%	0.5%	2.6%
Rooms Revenue ($000)	0.2%	-0.7%	2.2%	0.6%	15.4%	8.7%	5.5%	3.3%	6.5%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Calgary	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	0.4%	-3.6%	0.1%	-1.0%	1.7%	0.3%	0.5%	1.5%	0.7%
Occupied Room Nights	2.4%	-5.0%	1.6%	-0.3%	3.3%	1.6%	1.5%	2.5%	1.8%
Average Daily Rate	3.3%	2.1%	1.5%	2.2%	3.2%	2.8%	4.5%	4.7%	3.7%
Rooms Revenue ($000)	5.7%	-3.0%	3.2%	1.9%	6.6%	4.4%	6.1%	7.4%	5.6%

8.3 EDMONTON

2003 ANNUAL RESULTS

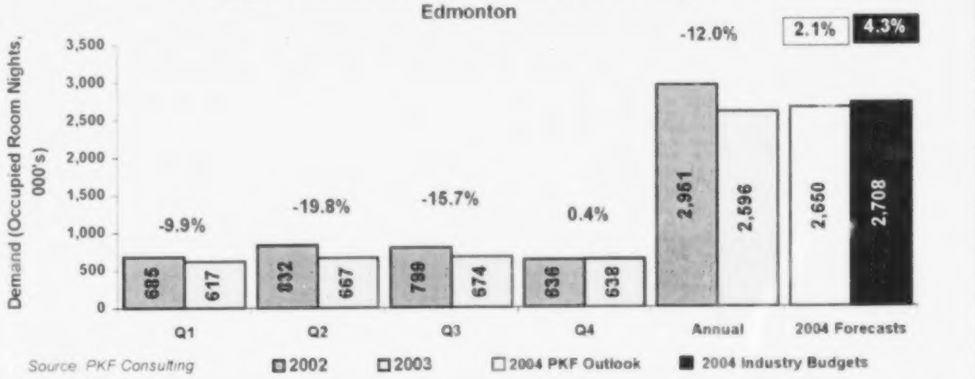
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Edmonton market was 11,501 rooms – with the addition of 240 rooms in 2003.
- PKF estimates that 187 new guest rooms will be added to Edmonton's accommodation inventory in 2004 resulting in a 1.6% growth in supply.

Demand

- During 2003, the Edmonton hotel market achieved 62% occupancy at an average daily rate of $96.
- Demand for hotels rooms in Edmonton **declined by 355,000 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Edmonton's room nights declined in the first three quarters of 2003 by 9.9% in quarter 1, 19.8% in quarter 2 and 15.7% in quarter 3. A 0.4% growth in year-over-year demand was posted in quarter 4.
- Demand is forecasted by PKF to reach 2,708,000 room nights in 2004, which represents a 2.1% increase in demand compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Edmonton



Source: PKF Consulting

Room Revenue

- From a revenue perspective a loss was recorded by Edmonton hoteliers in every quarter of 2003: quarter 1 (-9.9%), quarter 2 (-14.2%), quarter 3 (-11.5%) and quarter 4 0 (-0.2%).
- Overall, 2003 room revenue declined by $20 Million (7.5%) compared to 2002. An improvement in average rate helped to offset the significant decline in demand.

- PKF forecasts that 2004 room revenue in Edmonton will reach $259 Million, a 3.9% improvement over 2003.
- The Edmonton accommodation market has budgeted for 62% occupancy at an average rate of $98 equating to a 6.0% increase in room revenue compared to 2003.

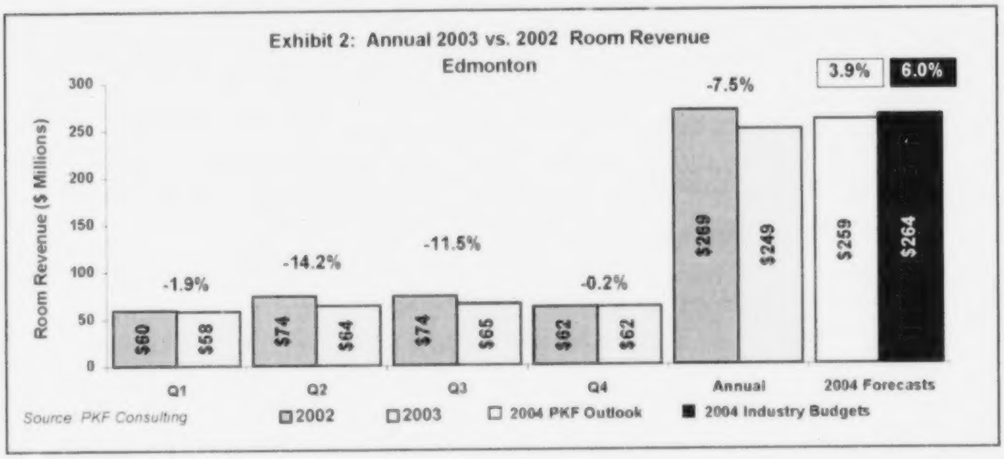


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Edmonton

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Edmonton hoteliers had pre-booked over 216,000 room nights for the upcoming months of October, November and December – approximately 22,000 fewer bookings then pre-booked for quarter 4 2003.
- The fill rate for the industry was 6.2% higher for quarter 4, 2003 with 25,000 additional room nights sold compared to 2002 during the quarter.

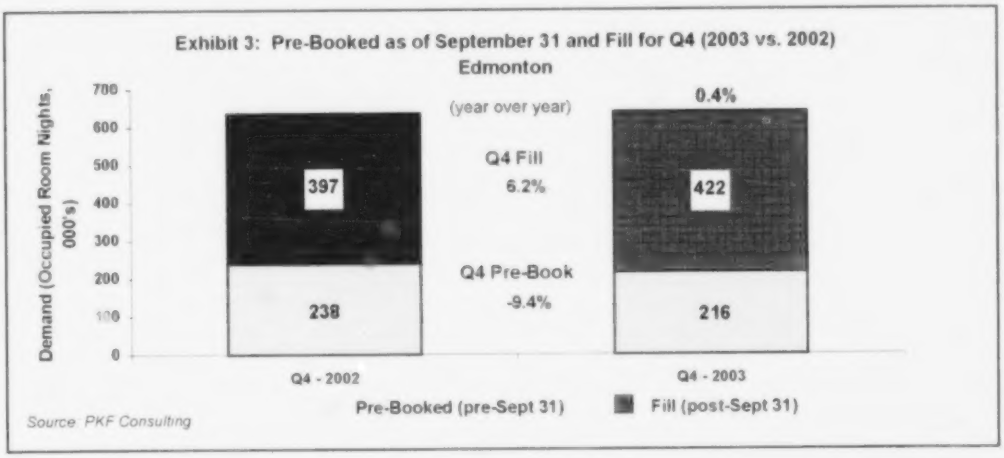


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
Edmonton

Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Edmonton accommodation operators experienced a slight improvement in demand during the 4th quarter, with the gain of 2,400 occupied room nights. They reported that economic conditions (69%) were the main factor responsible for the increase in demand. Operators noted that the increase of supply/competition did detract from the potential 4th quarter market performance.

- Edmonton hoteliers felt that 91% of their increase demand was attributable to guests with domestic origins.

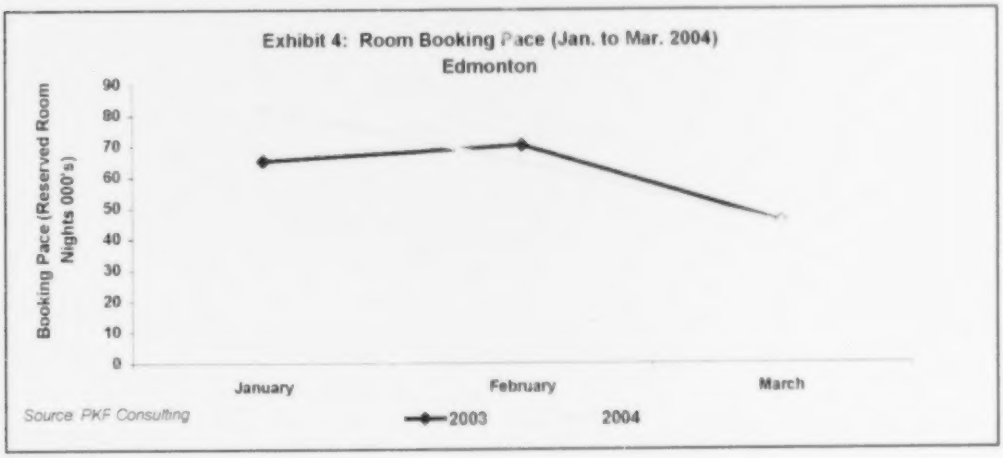
- Edmonton hoteliers assigned a majority of the demand to the following market segments: business travel (39%), meetings/convention travel (25%) and independent leisure travel (23%).

- Hotels in Edmonton attribute a majority of their improvement in 4th quarter demand to guest arriving via automobile (62%) and by airplane (28%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 188,000 room nights or 31% of January, February and March's 2004 business was pre-booked. In comparison, as of January 1, 2003, 181,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **7,000 more room nights** or a 4% increase in pre-booked room nights.



Source: PKF Consulting

Edmonton

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,252	11,252	11,252	11,252	11,252	11,252	11,358	11,288	11,261
Available Room Nights	1,012,680	1,023,932	2,036,612	1,035,184	348,812	337,560	352,098	1,038,470	4,110,266
Occupancy	68%	81%	74%	77%	67%	71%	47%	61%	72%
Occupied Room Nights	684,628	831,902	1,516,530	798,996	231,960	237,980	165,697	635,637	2,951,163
Average Daily Rate	$87	$89	$88	$92	$96	$101	$92	$97	$91
Rooms Revenue ($000)	$59,534	$74,353	$133,887	$73,878	$22,222	$24,095	$15,307	$61,624	$269,389

2003 ACTUAL RESULTS

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	11,379	11,511	11,445	11,556	11,556	11,556	11,556	11,556	11,501
Available Room Nights	1,024,080	1,047,456	2,071,536	1,063,152	358,236	346,680	358,236	1,063,152	4,197,840
Occupancy	60%	64%	62%	63%	64%	69%	48%	60%	62%
Occupied Room Nights	616,805	667,254	1,284,059	673,740	227,480	239,903	170,664	638,046	2,595,846
Average Daily Rate	$95	$96	$95	$97	$96	$98	$95	$96	$96
Rooms Revenue ($000)	$58,401	$63,769	$122,170	$65,376	$21,802	$23,532	$16,198	$61,531	$249,077

BOOKING PATTERNS

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	181,249	327,113	508,363	258,958	94,728	110,524	33,220	238,472	1,005,792
% Of Rooms Sold	26%	39%	34%	32%	41%	46%	20%	38%	34%
2003 BOOKINGS	174,547	274,111	448,657	253,698	99,910	86,227	29,954	216,091	918,446
% Of Rooms Sold	28%	41%	35%	38%	44%	36%	18%	34%	35%
2002/2003 VARIANCE	-4%	-16%	-12%	-2%	5%	-22%	-10%	-9%	-9%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.1%	2.3%	1.7%	2.7%	2.7%	2.7%	1.7%	2.4%	2.1%
Occupancy Points	-7.4%	-17.5%	-12.5%	-13.8%	-3.0%	-1.3%	0.8%	-1.2%	-10.0%
Occupied Room Nights	-9.9%	-19.8%	-15.3%	-15.7%	-1.9%	0.8%	3.0%	0.4%	-12.0%
Average Daily Rate	8.9%	6.9%	7.8%	4.9%	0.0%	-3.1%	2.7%	-0.5%	5.1%
Rooms Revenue ($000)	-1.9%	-14.2%	-8.8%	-11.5%	-1.9%	-2.3%	5.8%	-0.2%	-7.5%

2003 ACTUAL TO 2003 PKF OUTLOOK

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-2.6%	-11.0%	-6.8%	-7.3%	1.4%	3.8%	4.6%	3.3%	-4.4%
Occupied Room Nights	-4.2%	-14.7%	-9.9%	-10.3%	2.3%	5.7%	9.1%	5.4%	-6.7%
Average Daily Rate	5.2%	3.3%	4.1%	1.4%	-3.8%	-6.7%	-1.3%	-4.3%	1.4%
Rooms Revenue ($000)	0.8%	-11.8%	-6.2%	-9.0%	-1.6%	-1.3%	7.7%	0.8%	-5.4%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-9.1%	-7.8%	-8.4%	-7.9%	-2.5%	1.9%	-1.2%	-0.6%	-6.3%
Occupied Room Nights	-13.1%	-10.9%	-12.0%	-11.1%	-3.8%	2.8%	-3.9%	-1.4%	-9.4%
Average Daily Rate	3.3%	-1.0%	1.1%	-1.3%	-2.8%	-1.0%	-1.7%	-1.8%	-0.2%
Rooms Revenue ($000)	-10.2%	-11.8%	-11.0%	-12.3%	-6.5%	1.8%	-5.5%	-3.2%	-9.6%

REVENUE VARIANCE SUMMARY

Edmonton	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	-$1,133	-$10,584	-$11,717	-$8,502	-$420	-$563	$891	-$93	-$20,312
2003 Actual versus 2003 PKF Outlook ($000)	$480	-$8,569	-$8,088	-$6,500	-$356	-$309	$1,164	$500	-$14,088

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	23%	561
Local/Regional Economic Conditions	46%	1,101
Destination Marketing Promotions/Packages	3%	70
Increased Supply/Competition	22%	537
Geopolitical Reasons (Iraq War, Residual 9/11)	3%	70
Fear/Impacts Associated with SARS	3%	70
Other Reasons	0%	-
Total	100%	2,409

SEGMENTATION	%	ORN
Business Travel	39%	951
Independent Leisure Travel	23%	548
Group Leisure	8%	202
Meetings/Convention Travel	25%	591
Government	5%	117
Other	0%	-
Total	100%	2,409

GUEST ORIGIN	%	ORN
Domestic Travel	91%	2,192
US Travel	8%	194
Overseas Travel	1%	23
Total	100%	2,409

TRANSPORTATION	%	ORN
Air	28%	682
Automobile	62%	1,500
Motorcoach	8%	196
Other	1%	31
Total	100%	2,409

Edmonton

2004 OUTLOOK

2003 ACTUAL RESULTS

Edmonton	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,358	11,358	11,418	11,379	11,511	11,445	11,556	11,556	11,501
Available Room Nights	352,098	318,024	353,958	1,024,080	1,047,456	2,071,536	1,063,152	1,063,152	4,197,840
Occupancy	49%	68%	65%	60%	64%	62%	63%	60%	62%
Occupied Room Nights	172,528	215,620	228,657	616,805	667,254	1,284,059	673,740	638,046	2,595,846
Average Daily Rate	$93	$94	$96	$95	$96	$95	$97	$96	$96
Rooms Revenue ($000)	$16,123	$20,352	$21,926	$58,401	$63,769	$122,170	$65,376	$61,531	$249,077

2004 PKF OUTLOOK AT JANUARY 1, 2004

Edmonton	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,556	11,556	11,713	11,610	11,713	11,662	11,713	11,713	11,688
Available Room Nights	358,236	323,568	363,103	1,044,907	1,065,883	2,110,790	1,077,596	1,077,596	4,265,982
Occupancy	45%	65%	60%	56%	65%	61%	67%	60%	62%
Occupied Room Nights	161,206	210,319	217,862	589,387	692,824	1,282,211	722,224	645,386	2,649,821
Average Daily Rate	$95	$95	$95	$95	$95	$95	$101	$99	$98
Rooms Revenue ($000)	$15,315	$19,980	$20,697	$55,992	$65,818	$121,810	$73,210	$63,885	$258,905

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Edmonton	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	11,556	11,556	11,713	11,610	11,713	11,662	11,713	11,713	11,688
Available Room Nights	358,236	323,568	363,103	1,044,907	1,065,883	2,110,790	1,077,596	1,077,596	4,265,982
Occupancy	54%	64%	68%	62%	64%	63%	66%	62%	63%
Occupied Room Nights	192,311	207,570	247,319	647,201	680,964	1,328,165	714,555	665,575	2,708,294
Average Daily Rate	$97	$94	$92	$94	$97	$96	$100	$98	$97
Rooms Revenue ($000)	$18,560	$19,535	$22,753	$60,848	$66,131	$126,979	$71,416	$65,506	$263,901

2004 BOOKING PATTERNS

Edmonton	January	February	March	1st Quarter
2003 BOOKINGS	65,371	70,408	45,473	181,249
% Of Rooms Sold	38%	33%	20%	29%
2004 BOOKINGS	82,291	64,920	45,106	188,497
% Of Rooms Sold	48%	30%	20%	31%
2003/2004 VARIANCE	26%	-8%	-1%	4%

2004 PKF OUTLOOK versus 2003 ACTUAL

Edmonton	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	1.7%	1.7%	2.6%	2.0%	1.8%	1.9%	1.4%	1.4%	1.6%
Occupancy Points	-4.0%	-2.8%	-4.6%	-3.8%	1.3%	-1.2%	3.6%	-0.1%	0.3%
Occupied Room Nights	-6.6%	-2.5%	-4.7%	-4.4%	3.8%	-0.1%	7.2%	1.2%	2.1%
Average Daily Rate	1.7%	0.6%	-0.9%	0.3%	-0.6%	-0.2%	4.5%	2.6%	1.8%
Rooms Revenue ($000)	-5.0%	-1.8%	-5.6%	-4.1%	3.2%	-0.3%	12.0%	3.8%	3.9%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Edmonton	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	4.7%	-3.6%	3.5%	1.7%	0.2%	0.9%	2.9%	1.8%	1.6%
Occupied Room Nights	11.5%	-3.7%	8.2%	4.9%	2.1%	3.4%	6.1%	4.3%	4.3%
Average Daily Rate	3.3%	-0.3%	-4.1%	-0.7%	1.6%	0.5%	3.0%	2.1%	1.6%
Rooms Revenue ($000)	15.1%	-4.0%	3.8%	4.2%	3.7%	3.9%	9.2%	6.5%	6.0%

8.4 ALBERTA RESORTS

2003 ANNUAL RESULTS

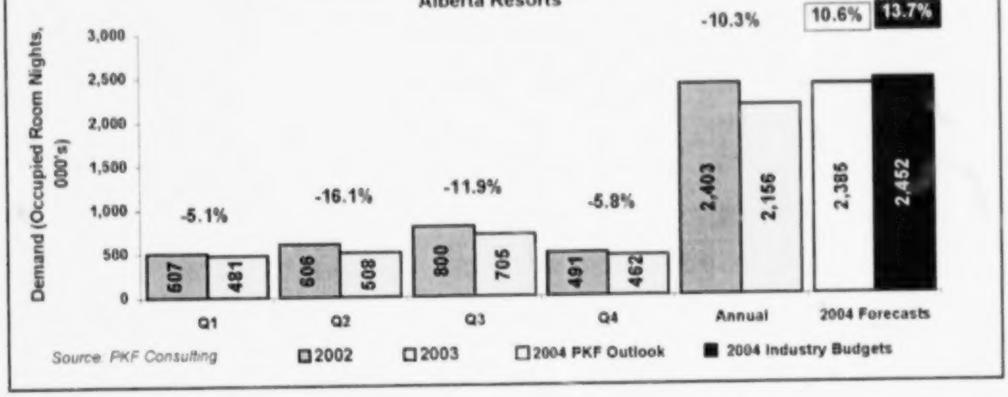
Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Alberta Resort market was 10,540 rooms – with the addition of 94 rooms in 2003.
- PKF estimates that no new guest rooms will be added to Alberta Resort's inventory in 2004.

Demand

- During 2003, the Alberta Resort hotel market achieved 56% occupancy at an average daily rate of $206.
- Demand for hotels rooms in Alberta Resorts **was down by 247,000 room nights or 10.3% in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Alberta Resort's room nights declined in all quarters of 2003 – quarter 1 (-5.1%), quarter 2 (-16.1%), quarter 3 (-11.9%) and quarter 4 (-5.8%).
- Demand is forecasted by PKF to reach 2,385,000 room nights in 2004, which represents a 10.6% increase in demand compared to 2003.

Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Alberta Resorts

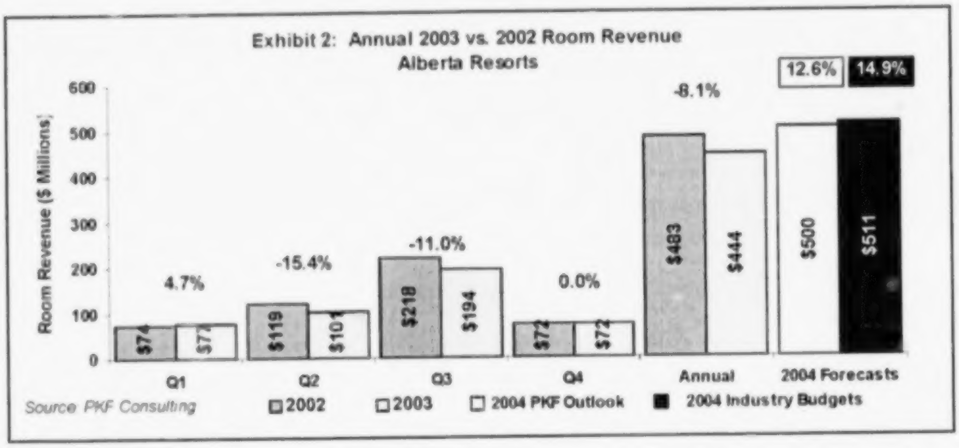


Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to an excellent start for Alberta Resort's hotel operators with quarter 1 room revenue improving by 4.7%. Room revenue dipped in quarter 2 by 15.4% and by 11.0% in quarter 3 before flattening to 2002 levels in quarter 4.
- Overall, 2003 room revenue declined by $39 Million (8.1%) compared to 2002 due to demand erosion. An improvement in average rate offset some of the demand loss.

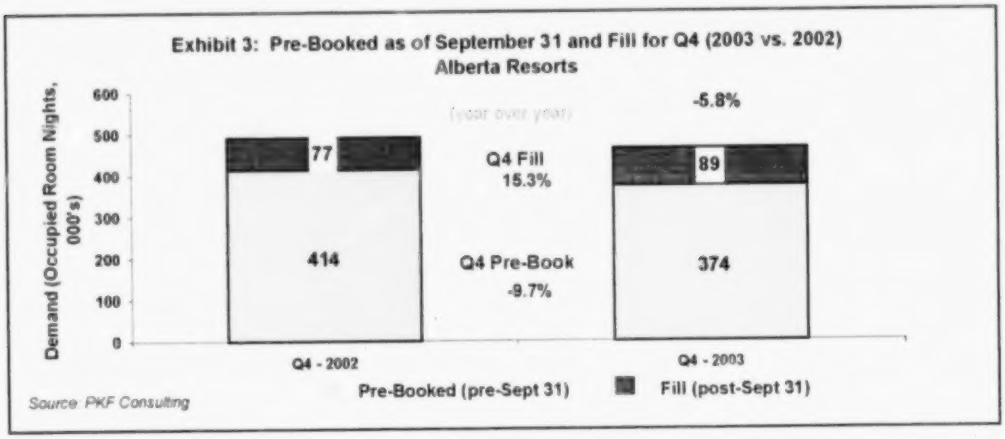
- PKF forecasts that 2004 room revenue in Alberta Resorts will reach $500 Million, a 12.6% improvement over 2003.
- Alberta Resort operators have budgeted for 64% occupancy at an average rate of $208 equating to a 14.9% increase in room revenue compared to 2003.



Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Alberta Resort hoteliers had pre-booked over 374,000 room nights for the upcoming months of October, November and December – approximately 40,000 fewer bookings then pre-booked for quarter 4 2003.
- The fill rate for the industry was 15.3% higher for quarter 4, 2003 with 12,000 additional room nights sold compared to 2002 during the quarter.



Source: PKF Consulting

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

- Alberta Resort accommodation operators experienced an erosion of demand during the 4th quarter, with the loss of 28,000 occupied room nights. They attributed the loss primarily to economic conditions (41%) and to other reasons (39%).

- Alberta Resort hoteliers allocated 57% of lost demand to guest with domestic origins, 25% from overseas and 21% from the United States.

- Hotels in the Alberta Resort market cited Meetings/Convention travel (30%) and independent leisure travel (26%) as the primary segments responsible for quarter 4 demand erosion.

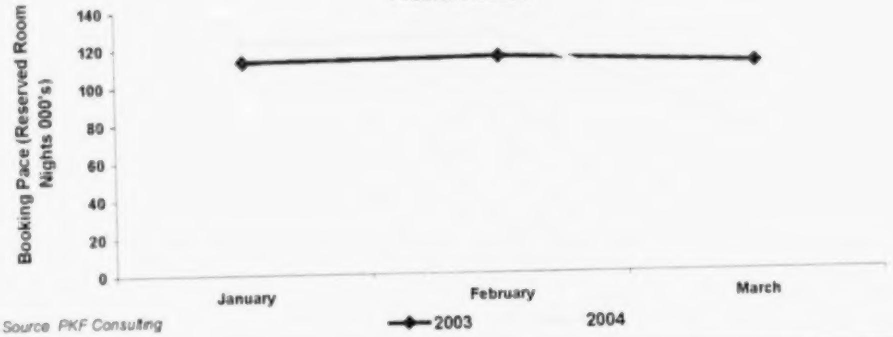
- Hotels in Alberta Resort attribute a majority of their 4th quarter demand loss to guest arriving via airplane (44%) with guest arriving by automobile raking second at 39%.

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 316,000 room nights or 66% of January, February and March's 2004 Alberta Resort's quarter 1 business was pre-booked. In comparison, as of January 1, 2003, 338,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **22,600 fewer room nights** or a 7% decline in pre-booked room nights due to the lack of March bookings.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Alberta Resorts



Source PKF Consulting

Alberta Resorts

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	10,386	10,446	10,416	10,475	10,475	10,475	10,475	10,475	10,448
Available Room Nights	934,740	950,555	1,885,295	963,700	324,725	314,250	324,725	963,700	3,812,695
Occupancy	54%	64%	59%	83%	62%	45%	46%	51%	63%
Occupied Room Nights	506,941	605,965	1,112,906	799,878	202,628	140,158	147,912	490,698	2,403,482
Average Daily Rate	$146	$197	$174	$272	$153	$121	$165	$148	$201
Rooms Revenue ($000)	$73,958	$119,365	$193,323	$217,547	$31,024	$17,027	$24,392	$72,444	$483,315

2003 ACTUAL RESULTS

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540
Available Room Nights	948,600	959,140	1,907,740	969,680	326,740	316,200	326,740	969,680	3,847,100
Occupancy	51%	53%	52%	73%	56%	42%	45%	48%	56%
Occupied Room Nights	481,035	508,186	989,221	704,720	182,321	132,488	147,621	462,430	2,156,371
Average Daily Rate	$160.95	$199	$180	$275	$165	$126	$174	$157	$206
Rooms Revenue ($000)	$77,425	$100,987	$178,411	$193,556	$30,121	$16,672	$25,629	$72,422	$444,389

BOOKING PATTERNS

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	338,477	438,225	776,702	629,884	194,218	102,317	117,123	413,658	1,820,244
% Of Rooms Sold	67%	72%	70%	79%	96%	73%	79%	84%	76%
2003 BOOKINGS	291,289	435,907	727,196	531,617	167,748	102,791	103,086	373,625	1,632,438
% Of Rooms Sold	61%	86%	74%	75%	92%	78%	70%	81%	76%
2002/2003 VARIANCE	-14%	-1%	-6%	-16%	-14%	0%	-12%	-10%	-10%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.5%	0.9%	1.2%	0.6%	0.6%	0.6%	0.6%	0.6%	0.9%
Occupancy Points	-3.5%	-10.8%	-7.2%	-10.3%	-6.6%	-2.7%	-0.4%	-3.2%	-7.0%
Occupied Room Nights	-5.1%	-16.1%	-11.1%	-11.9%	-10.0%	-5.5%	-0.2%	-5.8%	-10.3%
Average Daily Rate	10.3%	0.9%	3.8%	1.0%	7.9%	3.6%	5.3%	6.1%	2.5%
Rooms Revenue ($000)	4.7%	-15.4%	-7.7%	-11.0%	-2.9%	-2.1%	5.1%	0.0%	-8.1%

2003 ACTUAL TO 2003 PKF OUTLOOK

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-3.8%	-11.5%	-7.7%	-10.6%	-6.5%	-4.1%	-1.1%	-3.9%	-7.9%
Occupied Room Nights	-7.0%	-17.8%	-12.9%	-12.8%	-10.5%	-8.9%	-2.4%	-7.6%	-11.7%
Average Daily Rate	8.2%	-1.1%	1.8%	-1.0%	5.2%	1.6%	2.4%	3.6%	0.5%
Rooms Revenue ($000)	0.6%	-18.7%	-11.3%	-13.6%	-5.8%	-7.4%	0.0%	-4.2%	-11.3%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-6.9%	-12.1%	-9.5%	-12.3%	-8.8%	-1.8%	-0.7%	-3.8%	-8.8%
Occupied Room Nights	-11.9%	-18.8%	-15.5%	-14.4%	-13.6%	-4.1%	-1.5%	-7.3%	-13.9%
Average Daily Rate	6.1%	-3.6%	-0.3%	-4.3%	4.8%	-1.8%	1.8%	2.1%	-2.1%
Rooms Revenue ($000)	-6.5%	-21.7%	-15.8%	-18.1%	-9.5%	-5.9%	0.3%	-5.4%	-15.3%

REVENUE VARIANCE SUMMARY

Alberta Resorts	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$3,466	-$18,378	-$14,912	-$23,992	-$903	-$355	$1,236	-$22	-$38,926
2003 Actual versus 2003 PKF Outlook ($000)	$478	-$23,200	-$22,722	-$30,562	-$1,876	-$1,330	$7	-$3,199	-$56,483

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	13%	(3,534)	Business Travel	12%	(3,394)
Local/Regional Economic Conditions	28%	(7,852)	Independent Leisure Travel	26%	(7,474)
Destination Marketing Promotions/Packages	5%	(1,400)	Group Leisure	12%	(3,507)
Increased Supply/Competition	8%	(2,237)	Meetings/Convention Travel	30%	(8,562)
Geopolitical Reasons (Iraq War, Residual 9/11)	4%	(1,088)	Government	0%	-
Fear/Impacts Associated with SARS	4%	(1,128)	Other	19%	(5,301)
Other Reasons	39%	(10,919)			
Total	100%	(28,266)	**Total**	100%	(28,266)
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	57%	(16,191)	Air	44%	(12,310)
US Travel	21%	(5,874)	Automobile	39%	(11,047)
Overseas Travel	25%	(7,103)	Motorcoach	17%	(4,909)
			Other	0%	-
Total	104%	(28,266)	**Total**	100%	(28,266)

Alberta Resorts

2004 OUTLOOK

2003 ACTUAL RESULTS

Alberta Resorts	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540
Available Room Nights	326,740	295,120	326,740	948,600	959,140	1,907,740	969,680	969,680	3,847,100
Occupancy	39%	54%	60%	51%	53%	52%	73%	48%	56%
Occupied Room Nights	128,409	157,889	194,737	481,035	508,186	989,221	704,720	462,430	2,156,371
Average Daily Rate	$149	$165	$166	$161	$199	$180	$275	$157	$206
Rooms Revenue ($000)	$19,083	$25,982	$32,359	$77,425	$100,987	$178,411	$193,556	$72,422	$444,389

2004 PKF OUTLOOK AT JANUARY 1, 2004

Alberta Resorts	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540
Available Room Nights	326,740	295,120	326,740	948,600	959,140	1,907,740	969,680	969,680	3,847,100
Occupancy	44%	56%	62%	54%	62%	58%	82%	50%	62%
Occupied Room Nights	143,766	165,267	202,579	511,612	595,510	1,107,122	792,608	485,367	2,385,097
Average Daily Rate	$149	$165	$166	$161	$207	$186	$276	$156	$210
Rooms Revenue ($000)	$21,421	$27,269	$33,628	$82,318	$123,513	$205,831	$218,737	$75,864	$500,432

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Alberta Resorts	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540	10,540
Available Room Nights	326,740	295,120	326,740	948,600	959,140	1,907,740	969,680	969,680	3,847,100
Occupancy	45%	60%	63%	56%	63%	60%	81%	54%	64%
Occupied Room Nights	148,413	176,681	206,794	531,888	607,842	1,139,729	786,631	525,198	2,451,558
Average Daily Rate	$143	$157	$167	$157	$201	$180	$282	$159	$208
Rooms Revenue ($000)	$21,165	$27,684	$34,526	$83,375	$122,167	$205,542	$221,608	$83,610	$510,760

2004 BOOKING PATTERNS

Alberta Resorts	January	February	March	1st Quarter
2003 BOOKINGS	113,106	114,881	110,490	338,477
% Of Rooms Sold	88%	73%	57%	70%
2004 BOOKINGS	123,317	127,795	74,592	315,857
% Of Rooms Sold	96%	81%	38%	66%
2003/2004 VARIANCE	9%	11%	-32%	-7%

2004 PKF OUTLOOK versus 2003 ACTUAL

Alberta Resorts	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	4.7%	2.5%	2.4%	3.2%	9.1%	6.2%	9.1%	2.4%	5.9%
Occupied Room Nights	12.0%	4.7%	4.0%	6.4%	17.2%	11.9%	12.5%	5.0%	10.6%
Average Daily Rate	0.3%	0.3%	-0.1%	0.0%	4.4%	3.1%	0.5%	-0.2%	1.8%
Rooms Revenue ($000)	12.3%	5.0%	3.9%	6.3%	22.3%	15.4%	13.0%	4.8%	12.6%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Alberta Resorts	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	6.1%	6.4%	3.7%	5.4%	10.4%	7.9%	8.4%	6.5%	7.7%
Occupied Room Nights	15.6%	11.9%	6.2%	10.6%	19.6%	15.2%	11.6%	13.6%	13.7%
Average Daily Rate	-4.0%	-4.8%	0.5%	-2.6%	1.1%	0.0%	2.6%	1.7%	1.1%
Rooms Revenue ($000)	10.9%	6.5%	6.7%	7.7%	21.0%	15.2%	14.5%	15.4%	14.9%

Q1'04 CANCELLATIONS	**%**	**ORN**	**Potential**
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

8.5 OTHER ALBERTA MARKETS

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- Alberta's other accommodation markets averaged 17,691 rooms in 2003 – the addition of 602 rooms (3.5%) in 2003.

Demand

- Alberta's other hotel markets achieved 60% occupancy at an average daily rate of $83. Occupancy levels were up by 1 percentage point with average rates also improving- by $2.
- Demand for Alberta's other hotels was **up approximately 152,000 room nights or 4.1% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in other Alberta markets improved in all four quarters of 2003 by 4.0%, 6.8%, 2.1% and 3.8%, respectively.
- Demand is forecasted by PKF to reach nearly 3,969,000 room nights in 2004, which represents a 2.8% increase in demand over 2003.

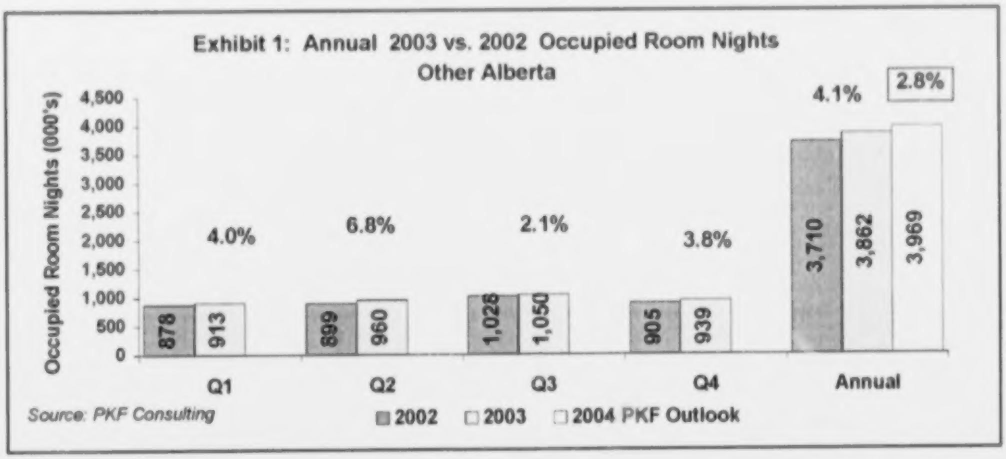


Exhibit 1: Annual 2003 vs. 2002 Occupied Room Nights
Other Alberta

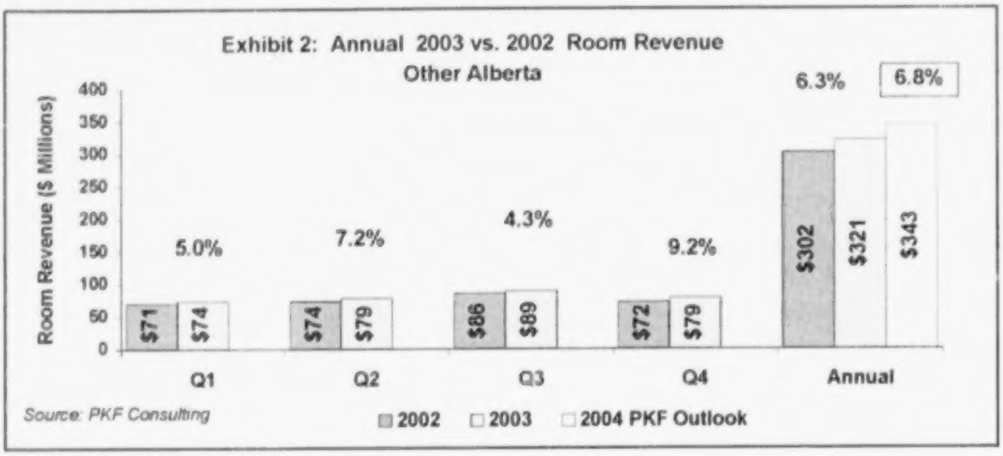
Source: PKF Consulting

Room Revenue

- From a room revenue perspective, other Alberta markets experienced substantial improvements in room revenue in every quarter of 2003. Room revenue improved by 5.0% in quarter 1, 7.2% in quarter 2, 4.3% in quarter 3 and 9.2% in quarter 4.
- Overall, other Alberta hotel markets reported a $19 Million improvement in room revenue in 2003 compared to 2002.
- PKF forecasts that other Alberta hotel markets will reach total room revenues of almost $343 Million in 2004, representing a 6.8% improvement compared to 2003 revenue.

Exhibit 2: Annual 2003 vs. 2002 Room Revenue

Other Alberta



Source: PKF Consulting

OTHER ALBERTA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	16,850	16,935	16,897	17,145	17,356	17,437	17,437	17,410	17,089
Available Room Nights	1,517,310	1,541,058	3,058,368	1,577,344	538,036	523,110	540,547	1,601,693	6,237,405
Occupancy	58%	58%	58%	65%	60%	62%	48%	56%	59%
Occupied Room Nights	878,050	899,278	1,777,328	1,027,941	321,207	324,851	258,652	904,711	3,709,980
Average Daily Rate	$80	$82	$81	$83	$81	$80	$77	$80	$81
Rooms Revenue ($000)	$70,682	$73,599	$144,281	$85,618	$25,957	$26,144	$19,839	$71,939	$301,838

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	17,480	17,849	17,666	17,740	17,886	17,886	17,886	17,886	17,740
Available Room Nights	1,573,200	1,624,280	3,197,480	1,632,080	554,466	536,580	554,466	1,645,512	6,475,072
Occupancy	57%	56%	57%	64%	59%	62%	48%	56%	58%
Occupied Room Nights	895,611	917,264	1,812,875	1,048,500	327,632	331,348	263,825	922,805	3,784,180
Average Daily Rate	$82	$83	$83	$85	$82	$82	$78	$81	$83
Rooms Revenue ($000)	$73,538	$76,572	$150,110	$89,077	$27,005	$27,200	$20,640	$74,846	$314,033

2003 ACTUAL RESULTS

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	17,480	17,654	17,568	17,740	17,886	17,886	17,886	17,886	17,691
Available Room Nights	1,573,200	1,606,540	3,179,740	1,632,080	554,466	536,580	554,466	1,645,512	6,457,332
Occupancy	58%	60%	59%	64%	64%	59%	48%	57%	60%
Occupied Room Nights	912,858	960,331	1,873,189	1,049,573	357,076	316,582	265,146	938,804	3,861,565
Average Daily Rate	$81	$82	$82	$85	$83	$84	$83	$84	$83
Rooms Revenue ($000)	$74,230	$78,896	$153,126	$89,330	$29,694	$26,732	$22,113	$78,540	$320,996

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	17,886	18,083	17,985	17,966				17,966	17,975
Available Room Nights	1,609,740	1,645,512	3,255,252	1,652,872				1,652,872	6,560,996
Occupancy	59%	59%	59%	66%				58%	60%
Occupied Room Nights	948,137	971,031	1,919,168	1,097,194				952,198	3,968,549
Average Daily Rate	$86	$87	$86	$88				$84	$86
Rooms Revenue ($000)	$81,251	$84,518	$165,769	$96,647				$80,458	$342,874

OTHER ALBERTA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	3.7%	4.2%	4.0%	3.5%	3.1%	2.6%	2.6%	2.7%	3.5%
Occupancy Points	0.2%	1.6%	0.8%	-0.9%	4.7%	-3.1%	0.0%	0.6%	0.3%
Occupied Room Nights	4.0%	6.8%	5.4%	2.1%	11.2%	-2.5%	2.5%	3.8%	4.1%
Average Daily Rate	1.0%	0.4%	0.7%	2.2%	2.9%	4.9%	8.7%	5.2%	2.2%
Rooms Revenue ($000)	5.0%	7.2%	6.1%	4.3%	14.4%	2.2%	11.5%	9.2%	6.3%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	1.1%	3.3%	2.2%	0.1%	5.3%	-2.8%	0.2%	1.0%	1.4%
Occupied Room Nights	1.9%	4.7%	3.3%	0.1%	9.0%	-4.5%	0.5%	1.7%	2.0%
Average Daily Rate	-1.0%	-1.8%	-1.3%	0.2%	0.9%	2.9%	6.6%	3.1%	0.2%
Rooms Revenue ($000)	0.9%	3.0%	2.0%	0.3%	10.0%	-1.7%	7.1%	4.9%	2.2%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other Alberta	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	2.3%	2.4%	2.4%	1.3%				0.4%	1.6%
Occupancy Points	0.9%	-0.8%	0.0%	2.1%				0.6%	0.7%
Occupied Room Nights	3.9%	1.1%	2.5%	4.5%				1.4%	2.8%
Average Daily Rate	5.4%	5.9%	5.7%	3.5%				1.0%	3.9%
Rooms Revenue ($000)	9.5%	7.1%	8.3%	8.2%				2.4%	6.8%
Variance to PKF Forecast ($000)	$692	$2,324	$3,016	$253	$2,689	-$468	$1,473	$3,694	$6,963
Variance to 2002 Actuals ($000)	$3,548	$5,297	$8,845	$3,712	$3,738	$588	$2,275	$6,600	$19,157

9.0 BRITISH COLUMBIA & YUKON PROVINCIAL MARKET/PERFORMANCE

9.1 PROVINCE OF BRITISH COLUMBIA

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of British Columbia's accommodation market averaged 69,226 rooms in 2003 – a 1.0% increase over 2002, due to the addition of 660 new rooms.
- PKF estimates that room supply will increase by 0.5% in 2004 with the addition of 343 rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004 PKF Outlook	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR		
Greater Vancouver	62%	$119	61%	$115	0%	3%	63%	$117
Greater Victoria	67%	$122	66%	$117	-2%	-4%	67%	$120
Whistler	54%	$209	52%	$204	-3%	-2%	54%	$207
Other British Columbia	52%	$89	53%	$91	1%	2%	52%	$94
Total British Columbia	**59%**	**$119**	**58%**	**$116**	**0%**	**-2%**	**59%**	**$119**

Source: PKF Consulting

- British Columbia's hotel market achieved 58% occupancy at an average daily rate of $116 in 2003. Occupancy levels were down by 1 percentage point, with the average daily rate also down, by $3 from 2002.
- Demand for British Columbia's hotels was **up by approximately 7,700 room nights or 0.1% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in British Columbia improved in quarters 1 and 4 by 1.9% and 3.9%, respectively. British Columbia accommodations posted demand declines in quarter 2 by -3.7% and quarter 3 by 0.9%.
- Demand is forecasted by PKF to reach 14,965,000 room nights in 2004, a 1.5% increase from 2003.

9.0 BRITISH COLUMBIA & YUKON PROVINCIAL MARKET/PERFORMANCE

9.1 PROVINCE OF BRITISH COLUMBIA

2003 ANNUAL RESULTS

Total Provincial Supply Inventory

- The Province of British Columbia's accommodation market averaged 69,226 rooms in 2003 – a 1.0% increase over 2002, due to the addition of 660 new rooms.
- PKF estimates that room supply will increase by 0.5% in 2004 with the addition of 343 rooms.

Provincial Demand

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Greater Vancouver	62%	$119	61%	$115	0%	3%	63%	$117
Greater Victoria	67%	$122	66%	$117	-2%	-4%	67%	$120
Whistler	54%	$209	52%	$204	-3%	-2%	54%	$207
Other British Columbia	52%	$89	53%	$91	1%	2%	52%	$94
Total British Columbia	**59%**	**$119**	**58%**	**$116**	**0%**	**-2%**	**59%**	**$119**

Source: PKF Consulting

- British Columbia's hotel market achieved 58% occupancy at an average daily rate of $116 in 2003. Occupancy levels were down by 1 percentage point, with the average daily rate also down, by $3 from 2002.
- Demand for British Columbia's hotels was **up by approximately 7,700 room nights or 0.1% in 2003**, as compared to 2002.
- On a quarter-by-quarter basis, demand for room nights in British Columbia improved in quarters 1 and 4 by 1.9% and 3.9%, respectively. British Columbia accommodations posted demand declines in quarter 2 by -3.7% and quarter 3 by 0.9%.
- Demand is forecasted by PKF to reach 14,965,000 room nights in 2004, a 1.5% increase from 2003.

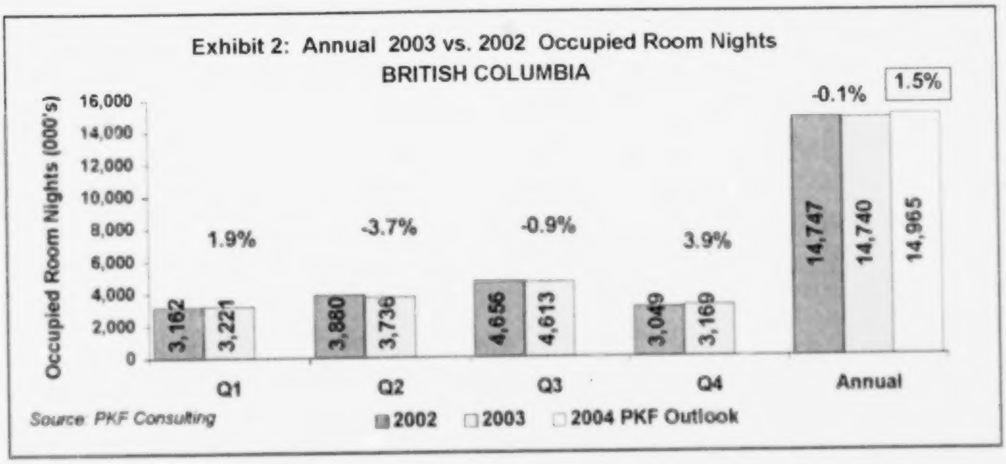


Exhibit 2: Annual 2003 vs. 2002 Occupied Room Nights
BRITISH COLUMBIA

Source: PKF Consulting

Room Revenue

- Room revenue was 2.3% higher in the first quarter of 2003 before declining by 7.1% and 3.7% in the second and third quarters respectively and increasing by 2.5% in the forth quarter.
- Overall, 2003 room revenue was down by $3.8 Million (2.2%) compared to 2002.
- PKF forecasts that 2004 room revenue in British Columbia will reach $1.8 Billion, a 3.8% improvement over 2003.

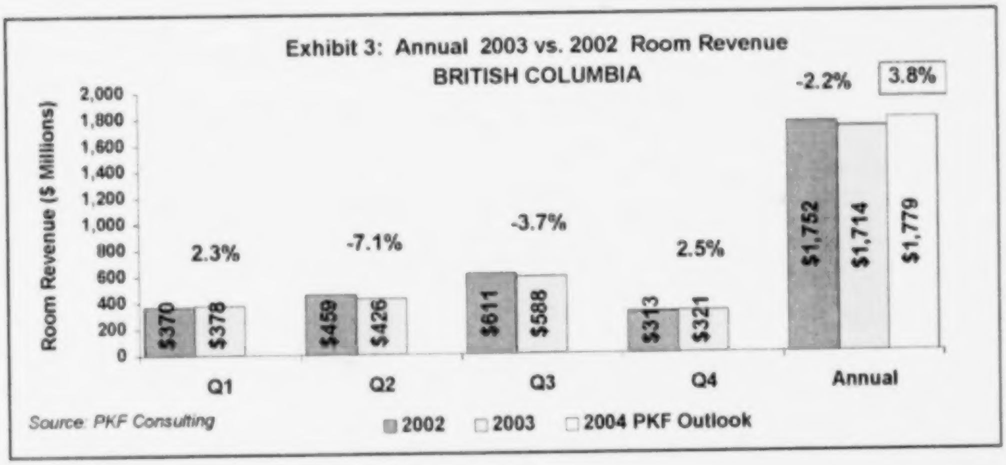


Exhibit 3: Annual 2003 vs. 2002 Room Revenue
BRITISH COLUMBIA

Source: PKF Consulting

BRITISH COLUMBIA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annu
Inventory	68,332	68,389	68,361	68,582	68,954	68,954	68,954	68,954	68,56
Available Room Nights	6,149,880	6,223,442	12,373,322	6,309,540	2,137,574	2,068,620	2,137,574	6,343,768	25,026,63
Occupancy	51%	62%	57%	74%	56%	46%	42%	48%	59%
Occupied Room Nights	3,161,653	3,880,339	7,041,992	4,656,463	1,203,454	943,291	902,270	3,049,015	14,747,47
Average Daily Rate	$117	$118	$118	$131	$101	$93	$115	$103	$11
Rooms Revenue ($000)	$369,739	$458,629	$828,368	$610,971	$121,741	$87,603	$103,734	$313,079	$1,752,4

2003 PKF OUTLOOK AT JANUARY 1, 2003

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annu
Inventory	69,037	69,106	69,071	69,330	69,425	69,425	69,425	69,425	69,2
Available Room Nights	6,213,310	6,288,604	12,501,914	6,378,314	2,152,175	2,082,750	2,152,175	6,387,100	25,267,3
Occupancy (2% Demand Growth)	52%	63%	57%	74%	57%	46%	43%	49%	60%
Occupied Room Nights	3,224,886	3,957,945	7,182,832	4,749,592	1,227,523	962,157	920,315	3,109,995	15,042,4
Average Daily Rate (2% Growth)	$119	$121	$120	$134	$103	$95	$117	$105	$12
Rooms Revenue ($000)	$384,677	$477,157	$861,834	$635,654	$126,660	$91,143	$107,925	$325,727	$1,823,2

2003 ACTUAL RESULTS

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annu
Inventory	69,037	69,106	69,071	69,330	69,425	69,425	69,425	69,425	69,2
Available Room Nights	6,213,310	6,288,604	12,501,914	6,378,314	2,152,175	2,082,750	2,152,175	6,387,100	25,267,3
Occupancy	52%	59%	56%	72%	57%	48%	44%	50%	58%
Occupied Room Nights	3,221,325	3,736,163	6,957,487	4,613,410	1,222,435	999,720	946,742	3,168,897	14,739,7
Average Daily Rate	$117	$114	$116	$128	$100	$91	$113	$101	$11
Rooms Revenue ($000)	$378,409	$425,999	$804,408	$586,339	$122,586	$91,124	$107,304	$321,014	$1,713,7

2004 PKF OUTLOOK AT JANUARY 1, 2004

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annu
Inventory	69,425	69,429	69,427	69,642				69,773	69,5
Available Room Nights	6,248,250	6,318,035	12,566,285	6,407,064				6,419,154	25,392,5
Occupany	51%	62%	57%	74%				48%	59%
Occupied Room Nights	3,212,225	3,939,257	7,151,482	4,729,124				3,084,540	14,985,1
Average Daily Rate	$117	$118	$118	$131				$103	$11
Rooms Revenue ($000)	$375,653	$465,582	$841,236	$620,582				$316,789	$1,778

BRITISH COLUMBIA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annu
Inventory	1.0%	1.0%	1.0%	1.1%	0.7%	0.7%	0.7%	0.7%	1.0%
Occupancy Points	0.4%	-2.9%	-1.3%	-1.5%	0.5%	2.4%	1.8%	1.6%	-0.6%
Occupied Room Nights	1.9%	-3.7%	-1.2%	-0.9%	1.6%	6.0%	4.9%	3.9%	-0.1%
Average Daily Rate	0.4%	-3.5%	-1.7%	-2.8%	-0.9%	-1.9%	-1.4%	-1.3%	-2.2%
Rooms Revenue ($000)	2.3%	-7.1%	-2.9%	-3.7%	0.7%	4.0%	3.4%	2.5%	-2.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annu
Occupancy Points	-0.1%	-3.5%	-1.8%	-2.1%	-0.2%	1.8%	1.2%	0.9%	-1.2%
Occupied Room Nights	-0.1%	-5.6%	-3.1%	-2.9%	-0.4%	3.9%	2.9%	1.9%	-2.0%
Average Daily Rate	-1.5%	-5.4%	-3.6%	-4.7%	-2.8%	-3.8%	-3.4%	-3.3%	-4.1%
Rooms Revenue ($000)	-1.6%	-10.7%	-6.7%	-7.4%	-3.2%	0.0%	-0.6%	-1.4%	-6.0%

2003 ACTUAL TO 2004 PKF OUTLOOK

BRITISH COLUMBIA	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annu
Inventory	0.6%	0.5%	0.5%	0.5%				0.5%	0.5%
Occupancy Points	-0.4%	2.9%	1.3%	1.5%				-1.6%	0.6%
Occupied Room Nights	-0.3%	5.4%	2.8%	2.5%				-2.7%	1.5%
Average Daily Rate	-0.4%	3.7%	1.7%	2.9%				1.4%	2.2%
Rooms Revenue ($000)	-0.7%	9.3%	4.6%	5.5%				-1.3%	3.8%
Variance to 2003 PKF Forecast ($000)	*-$6,267*	*-$51,159*	*-$57,426*	*-$47,315*	*-$4,074*	*-$18*	*-$621*	*-$4,713*	*-$109,4*
Variance to 2002 Actuals ($000)	*$8,670*	*-$32,630*	*-$23,960*	*-$22,631*	*$844*	*$3,521*	*$3,570*	*$7,935*	*-$38,*

9.2 GREATER VANCOUVER AREA

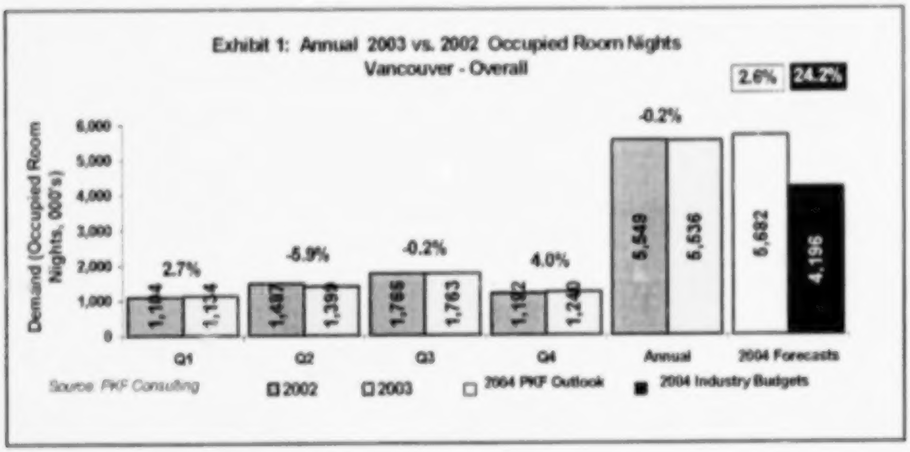
2003 ANNUAL RESULTS

Hotel Supply Inventory

- In 2003, the average inventory of hotel rooms in the Greater Vancouver market was 24,708 rooms – with the addition of 279 rooms in 2003.
- PKF estimates that 138 new guest rooms will be added to Greater Vancouver's accommodation inventory in 2004.

Demand

- During 2003, the Greater Vancouver hotel market achieved 61% occupancy at an average daily rate of $115.
- Demand for hotels rooms in Greater Vancouver **was down by 13,000 room nights in 2003**, compared to 2002.
- On a quarter-by-quarter basis, demand for Greater Vancouver's room nights improved in quarters 1 and 4 by 2.7% and 4.0% respectively while demand declined in quarter 2 by 5.9% and quarter 3 by 0.2%.
- Demand is forecasted by PKF to reach 5,682,000 room nights in 2004, which represents a 2.6% increase in demand compared to 2003.



Source: PKF Consulting

Room Revenue

- From a revenue perspective the year was off to an excellent start for Greater Vancouver's hotel operators with quarter 1 room revenue improving by 3.7%. A year-over-year decline of 9.8% and 4.2% was posted in quarters 2 and 3 before improving by 1.5% in quarter 4.
- Overall, 2003 room revenue declined by $23 Million (3.5%) compared to 2002 due primarily to rate erosion.

- PKF forecasts that 2004 room revenue in Greater Vancouver will reach $663 Million, a 4.4% improvement over 2003.
- The industry in the downtown and airport Vancouver markets have budgeted for 65% occupancy at an average rate of $129 equating to a 7.7% increase in room revenue compared to 2003.

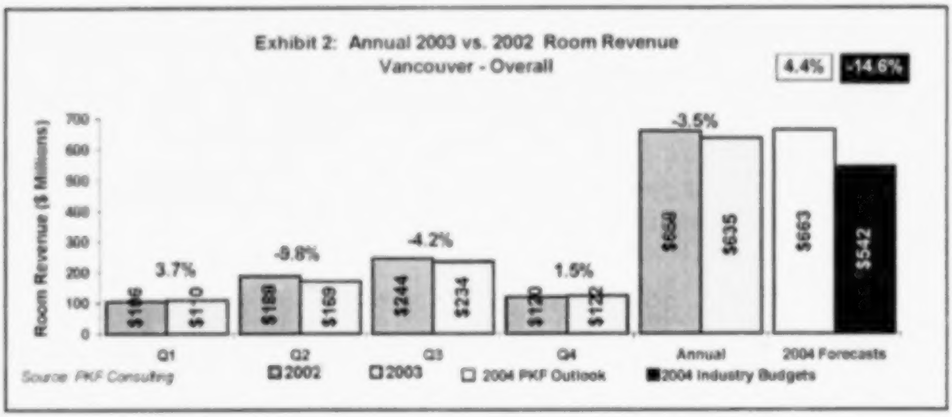


Exhibit 2: Annual 2003 vs. 2002 Room Revenue
Vancouver - Overall

Source: PKF Consulting

Pre-Booked Business and Fill Rate

- As of September 31st 2003, Greater Vancouver hoteliers had pre-booked over 402,000 room nights for the upcoming months of October, November and December – approximately 41,000 fewer bookings then pre-booked for quarter 4 2002.
- The fill rate for the industry was 11.8% higher for quarter 4, 2003 with 88,000 additional room nights sold compared to 2002 during the quarter.

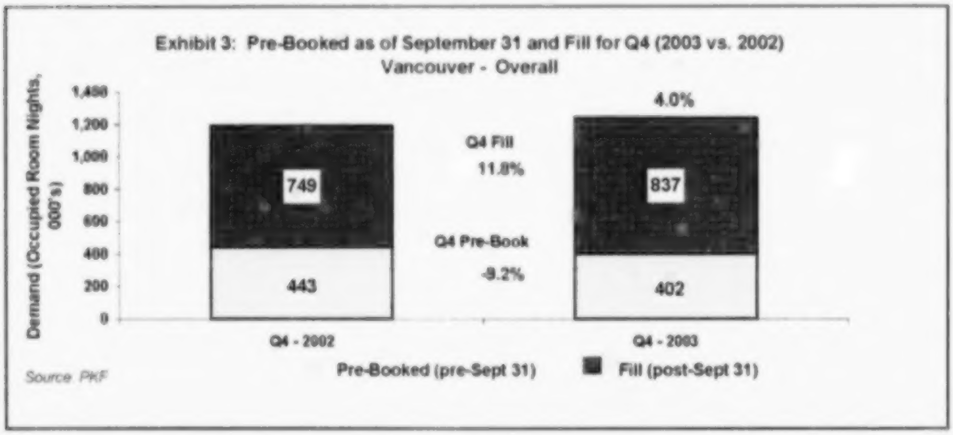


Exhibit 3: Pre-Booked as of September 31 and Fill for Q4 (2003 vs. 2002)
Vancouver - Overall

Source: PKF

Market Factors, Segmentation, Guest Origin and Primary Mode of Transportation

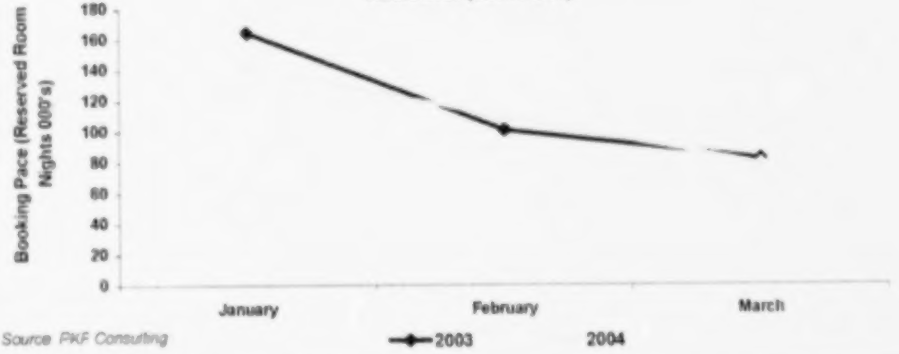
- Overall Vancouver accommodation operators experienced an improvement in demand during the 4th quarter, with the gain of 47,600 occupied room nights. They reported that economic conditions (55%) and other reasons (29%) were the factors that contributed to this gain.
- Greater Vancouver hoteliers reported that the majority of increased demand was due to more travellers from Canada (56%) and the United States (25%) with Overseas travellers also up by 19%.
- Hotels in Greater Vancouver cited Meetings/Convention travel (27%, other travellers (24%) and independent leisure travel (22%) as the main sources of the increased demand for room nights in quarter 4.
- Hotels in Greater Vancouver attribute a majority of their improvement in 4th quarter demand to guest arriving via airplane (55%) and automobile (32%).

2004: BOOKING PATTERNS & INDUSTRY BUDGETS

Booking Patterns

- As of January 1 2004, 293,000 room nights or 37% of January, February and March's 2004 Vancouver Downtown and Airport business was pre-booked. In comparison, as of January 1, 2003, 283,000 room nights of business were pre-booked for Quarter 1 – resulting in a pre-booked variance of **10,000 fewer room nights** or a 4% improvement in pre-booked room nights.

Exhibit 4: Room Booking Pace (Jan. to Mar. 2004)
Vancouver (excl.Other)



Source PKF Consulting

Vancouver Overall

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	24,333	24,373	24,353	24,455	24,552	24,552	24,552	24,552	24,429
Available Room Nights	2,189,970	2,217,943	4,407,913	2,249,856	761,112	736,560	761,112	2,258,784	8,916,553
Occupancy	50%	67%	59%	78%	62%	53%	44%	53%	62%
Occupied Room Nights	1,103,987	1,487,068	2,591,055	1,766,100	472,248	388,156	331,543	1,191,947	5,549,102
Average Daily Rate	$96	$126	$113	$150	$108	$98	$92	$101	$122
Rooms Revenue ($000)	$105,636	$187,705	$293,341	$264,466	$51,237	$38,046	$30,527	$119,810	$677,617

2003 ACTUAL RESULTS

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	24,582	24,632	24,612	24,802	24,802	24,802	24,802	24,802	24,708
Available Room Nights	2,213,280	2,241,512	4,454,792	2,281,784	768,862	744,060	768,862	2,281,784	9,018,360
Occupancy	51%	62%	57%	77%	62%	55%	46%	54%	61%
Occupied Room Nights	1,134,077	1,399,430	2,533,507	1,762,820	478,013	410,288	350,311	1,238,612	5,535,746
Average Daily Rate	$97	$121	$110	$144	$107	$94	$91	$98	$118
Rooms Revenue ($000)	$109,569	$169,302	$278,869	$254,181	$51,142	$38,756	$31,735	$121,634	$654,664

BOOKING PATTERNS

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	440,083	862,037	1,302,120	917,504	249,418	123,409	70,116	442,943	2,662,567
% Of Rooms Sold	41%	57%	50%	52%	53%	32%	21%	37%	48%
2003 BOOKINGS	405,082	834,274	1,239,356	803,957	232,634	106,222	57,045	402,380	2,445,743
% Of Rooms Sold	36%	60%	48%	46%	49%	29%	16%	32%	44%
2002/2003 VARIANCE	-10%	-3%	-5%	-12%	-7%	-14%	-19%	-9%	-8%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.1%	1.1%	1.1%	1.4%	1.0%	1.0%	1.0%	1.0%	1.1%
Occupancy Points	0.8%	-4.0%	-1.0%	-1.3%	0.3%	2.4%	2.0%	1.6%	-0.9%
Occupied Room Nights	2.7%	-5.9%	-2.2%	-0.2%	1.2%	5.7%	5.7%	4.0%	-0.2%
Average Daily Rate	1.0%	-4.2%	-2.6%	-4.0%	-1.6%	-3.8%	-1.6%	-2.4%	-3.3%
Rooms Revenue ($000)	3.7%	-9.8%	-4.9%	-3.9%	-0.2%	1.9%	4.0%	1.5%	-3.5%

2003 ACTUAL TO 2003 PKF OUTLOOK

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.9%	-4.0%	-1.6%	-0.9%	0.4%	2.3%	1.8%	1.5%	-0.8%
Occupied Room Nights	1.6%	-6.9%	-3.2%	-1.2%	0.6%	4.9%	4.6%	3.1%	-1.2%
Average Daily Rate	0.0%	-5.1%	-3.7%	-5.0%	-5.4%	-7.0%	-6.1%	-6.2%	-4.7%
Rooms Revenue ($000)	1.6%	-11.6%	-6.8%	-6.1%	-4.8%	-2.4%	-1.7%	-3.3%	-5.9%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.9%	-6.3%	-3.6%	-3.0%	-2.3%	1.7%	1.6%	0.3%	-2.5%
Occupied Room Nights	-1.8%	-9.2%	-6.0%	-3.8%	-3.6%	3.7%	4.1%	0.9%	-3.8%
Average Daily Rate	-2.5%	-5.3%	-4.7%	-6.9%	-4.3%	-7.7%	-7.6%	-6.5%	-5.9%
Rooms Revenue ($000)	-4.2%	-14.0%	-10.4%	-10.5%	-7.7%	-4.3%	-3.8%	-5.6%	-9.5%

REVENUE VARIANCE SUMMARY

Vancouver Overall	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$3,934	-$18,403	-$14,472	-$10,287	-$95	$710	$1,208	$1,824	-$22,935
2003 Actual versus 2003 PKF Outlook ($000)	$1,751	-$22,260	-$20,509	-$15,311	-$2,583	-$985	-$581	-$4,149	-$39,969

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	39%	12,899	Business Travel	11%	3,580
Local/Regional Economic Conditions	16%	5,151	Independent Leisure Travel	22%	7,231
Destination Marketing Promotions/Packages	6%	2,143	Group Leisure	9%	2,915
Increased Supply/Competition	2%	585	Meetings/Convention Travel	27%	8,852
Geopolitical Reasons (Iraq War, Residual 9/11)	4%	1,283	Government	8%	2,621
Fear/Impacts Associated with SARS	5%	1,604	Other	24%	7,964
Other Reasons	29%	9,498			
Total	100%	33,162	**Total**	100%	33,162
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	56%	18,709	Air	55%	18,171
US Travel	25%	8,210	Automobile	32%	10,705
Overseas Travel	19%	6,243	Motorcoach	10%	3,279
			Other	3%	1,008
Total	100%	33,162	**Total**	100%	33,162

Vancouver - Overall

2004 OUTLOOK

2003 ACTUAL RESULTS

Vancouver - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Available Room Nights	701,112	698,570	703,560	2,213,280	2,241,512	4,454,792	2,281,704	2,281,704	9,018,360
Occupancy	45%	53%	58%	51%	62%	57%	77%	54%	61%
Occupied Room Nights	338,602	367,940	427,227	1,134,077	1,399,430	2,533,507	1,702,620	1,230,612	5,530,700
Average Daily Rate	$98	$101	$92	$97	$121	$110	$133	$99	$115
Rooms Revenue ($000)	$33,394	$37,001	$39,185	$109,580	$169,301	$279,871	$234,181	$121,934	$634,986

2004 PKF OUTLOOK AT JANUARY 1, 2004

Vancouver - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	24,802	24,802	24,802	24,802	24,802	24,802	24,852	24,927	24,846
Available Room Nights	768,862	694,456	768,862	2,232,180	2,256,982	4,489,162	2,286,384	2,293,284	9,068,812
Occupancy	44%	54%	56%	51%	66%	58%	77%	55%	63%
Occupied Room Nights	340,108	371,926	432,821	1,144,852	1,499,195	2,644,047	1,769,576	1,268,304	5,681,927
Average Daily Rate	$99	$101	$95	$98	$123	$112	$135	$100	$117
Rooms Revenue ($000)	$33,609	$37,620	$41,181	$112,410	$184,289	$296,696	$238,729	$127,156	$662,583

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Vancouver - Overall (excl.other)	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	17,560	17,560	17,560	17,560	17,560	17,560	17,610	17,685	17,604
Available Room Nights	544,360	491,680	544,360	1,580,400	1,597,960	3,178,360	1,620,120	1,627,002	6,425,482
Occupancy	47%	56%	58%	54%	71%	62%	83%	54%	65%
Occupied Room Nights	256,442	277,083	313,839	847,364	1,130,266	1,977,630	1,341,920	876,574	4,196,123
Average Daily Rate	$107	$110	$102	$106	$137	$123	$151	$108	$129
Rooms Revenue ($000)	$27,370	$30,365	$32,120	$89,865	$154,360	$244,220	$203,286	$94,414	$541,921

2004 BOOKING PATTERNS

Vancouver - Overall (excl.other)	January	February	March	1st Quarter
2003 BOOKINGS	121,175	80,803	81,006	282,984
% Of Rooms Sold	47%	29%	26%	33%
2004 BOOKINGS	126,484	91,199	76,581	293,169
% Of Rooms Sold	50%	30%	24%	37%
2003/2004 VARIANCE	4%	13%	-5%	4%

2004 PKF OUTLOOK versus 2003 ACTUAL

Vancouver - Overall	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	1.0%	0.9%	0.7%	0.9%	0.7%	0.8%	0.2%	0.5%	0.6%
Occupancy Points	-0.3%	0.1%	0.3%	0.0%	4.0%	2.0%	0.1%	1.0%	1.3%
Occupied Room Nights	0.4%	1.1%	1.3%	1.0%	7.1%	4.4%	0.4%	2.3%	2.6%
Average Daily Rate	0.3%	0.6%	3.7%	1.6%	1.6%	1.6%	1.5%	2.2%	1.7%
Rooms Revenue ($000)	0.7%	1.7%	5.1%	2.6%	8.8%	6.4%	1.9%	4.5%	4.4%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL (excl. other Vancouver)

Vancouver - Overall (excl.other)	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	1.9%	2.1%	0.6%	1.6%	8.3%	4.0%	2.3%	-1.7%	2.1%
Occupied Room Nights	4.6%	4.4%	2.0%	3.6%	10.3%	7.3%	3.2%	-2.4%	3.8%
Average Daily Rate	1.5%	1.5%	6.7%	3.4%	3.1%	3.6%	4.3%	2.2%	3.7%
Rooms Revenue ($000)	6.1%	6.0%	8.9%	7.1%	13.8%	11.2%	7.5%	-0.2%	7.7%

Q1'04 CANCELLATIONS	%	ORN	Potential
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

Vancouver Downtown

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	13,089	13,089	13,089	13,171	13,288	13,288	13,288	13,288	13,155
Available Room Nights	1,178,010	1,191,099	2,369,109	1,211,728	411,928	398,640	411,928	1,220,650	4,801,493
Occupancy	49%	70%	59%	81%	69%	54%	42%	55%	63%
Occupied Room Nights	574,044	835,559	1,409,603	986,730	285,284	212,601	173,718	682,023	3,048,350
Average Daily Rate	$108	$154	$135	$168	$120	$112	$105	$117	$142
Rooms Revenue ($000)	$62,106	$129,678	$190,784	$166,173	$34,297	$23,843	$18,236	$79,483	$433,639

2003 ACTUAL RESULTS

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	13,288	13,288	13,288	13,352	13,352	13,352	13,352	13,352	13,310
Available Room Nights	1,194,120	1,207,388	2,401,508	1,228,384	413,912	400,560	413,912	1,228,384	4,858,270
Occupancy	51%	66%	58%	81%	66%	56%	45%	55%	63%
Occupied Room Nights	608,189	789,944	1,398,132	998,803	271,112	223,512	185,101	679,726	3,086,721
Average Daily Rate	$108	$146	$129	$160	$126	$107	$102	$113	$136
Rooms Revenue ($000)	$65,688	$115,489	$181,173	$159,781	$34,111	$23,880	$18,881	$76,873	$417,870

BOOKING PATTERNS

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	207,343	528,840	736,183	582,903	211,598	104,475	53,786	369,859	1,688,945
% Of Rooms Sold	36%	63%	52%	59%	86%	49%	31%	57%	55%
2003 BOOKINGS	250,179	467,108	717,286	548,700	196,869	91,938	46,575	343,467	1,609,451
% Of Rooms Sold	41%	59%	51%	55%	73%	41%	25%	51%	52%
2002/2003 VARIANCE	21%	-12%	-3%	-6%	-6%	-12%	-13%	-7%	-5%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.4%	1.4%	1.4%	1.4%	0.6%	0.6%	0.6%	0.6%	1.2%
Occupancy Points	2.0%	-3.9%	-0.9%	-0.1%	1.0%	2.3%	3.0%	1.0%	0.0%
Occupied Room Nights	5.6%	-4.3%	-0.2%	1.2%	2.2%	5.0%	6.5%	4.2%	1.2%
Average Daily Rate	0.2%	-6.3%	-4.8%	-6.0%	-2.7%	-5.0%	-2.4%	-3.5%	-4.7%
Rooms Revenue ($000)	5.8%	-10.2%	-5.0%	-3.8%	-0.5%	-0.3%	3.9%	0.6%	-3.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	2.7%	-3.6%	-0.7%	0.2%	1.9%	2.2%	2.6%	3.0%	0.2%
Occupied Room Nights	4.6%	-5.2%	-1.2%	0.2%	2.3%	4.1%	5.6%	3.8%	0.3%
Average Daily Rate	-0.8%	-7.2%	-5.7%	-6.0%	-8.0%	-9.5%	-8.7%	-8.7%	-6.5%
Rooms Revenue ($000)	3.7%	-12.0%	-6.9%	-5.7%	-5.8%	-5.8%	-3.7%	-5.3%	-6.2%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.4%	-4.4%	-2.4%	-3.2%	-3.8%	1.6%	1.6%	-0.2%	-2.0%
Occupied Room Nights	-0.8%	-6.2%	-4.0%	-3.7%	-5.5%	2.9%	3.0%	-0.4%	-3.1%
Average Daily Rate	-2.7%	-5.8%	-5.1%	-8.0%	-4.8%	-10.0%	-11.2%	-8.3%	-6.0%
Rooms Revenue ($000)	-3.5%	-11.7%	-8.9%	-11.5%	-10.0%	-7.3%	-7.9%	-8.7%	-8.8%

REVENUE VARIANCE SUMMARY

Vancouver Downtown	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$3,582	-$13,189	-$9,606	-$6,391	-$186	-$80	$710	$450	-$15,548
2003 Actual versus 2003 PKF Outlook ($000)	$2,333	-$15,776	-$13,443	-$8,731	-$2,131	-$1,461	-$710	-$4,310	-$27,484

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN
National/Provincial Economic Conditions	37%	10,236
Local/Regional Economic Conditions	17%	4,729
Destination Marketing Promotions/Packages	5%	1,440
Increased Supply/Competition	1%	321
Geopolitical Reasons (Iraq War, Residual 9/11)	5%	1,283
Fear/Impacts Associated with SARS	6%	1,604
Other Reasons	29%	8,090
Total	100%	27,704

SEGMENTATION	%	ORN
Business Travel	12%	3,275
Independent Leisure Travel	15%	4,035
Group Leisure	8%	2,280
Meetings/Convention Travel	31%	8,655
Government	9%	2,508
Other	25%	6,951
Total	100%	27,704

GUEST ORIGIN	%	ORN
Domestic Travel	58%	15,996
US Travel	23%	6,308
Overseas Travel	19%	5,399
Total	100%	27,704

TRANSPORTATION	%	ORN
Air	51%	14,210
Automobile	33%	9,208
Motorcoach	12%	3,278
Other	4%	1,008
Total	100%	27,704

Vancouver Downtown

2004 OUTLOOK

2003 ACTUAL RESULTS

Vancouver Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	13,268	13,268	13,268	13,268	13,268	13,268	13,352	13,352	13,310
Available Room Nights	411,308	371,504	411,308	1,194,120	1,207,388	2,401,508	1,228,384	1,228,384	4,858,276
Occupancy	43%	53%	57%	51%	66%	59%	81%	55%	63%
Occupied Room Nights	177,274	198,526	232,380	608,180	798,944	1,406,132	998,863	679,726	3,084,721
Average Daily Rate	$112	$115	$99	$108	$144	$129	$160	$113	$135
Rooms Revenue ($000)	$19,899	$22,687	$23,102	$65,688	$115,489	$181,177	$159,781	$76,913	$417,870

2004 PKF OUTLOOK AT JANUARY 1, 2004

Vancouver Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	13,352	13,352	13,352	13,352	13,352	13,352	13,352	13,352	13,352
Available Room Nights	413,912	373,856	413,912	1,201,680	1,215,032	2,416,712	1,228,384	1,228,384	4,873,480
Occupancy	43%	53%	57%	51%	71%	61%	81%	56%	65%
Occupied Room Nights	177,982	198,144	235,930	612,056	858,801	1,470,856	991,252	683,756	3,145,865
Average Daily Rate	$112	$115	$104	$110	$146	$131	$162	$115	$137
Rooms Revenue ($000)	$19,934	$22,787	$24,537	$67,257	$125,253	$192,510	$160,439	$78,789	$431,737

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Vancouver Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	13,352	13,352	13,352	13,352	13,352	13,352	13,352	13,352	13,352
Available Room Nights	413,912	373,856	413,912	1,201,680	1,215,032	2,416,712	1,228,384	1,228,384	4,873,480
Occupancy	44%	53%	56%	51%	71%	61%	84%	54%	65%
Occupied Room Nights	182,461	196,525	231,742	610,728	857,930	1,468,658	1,037,691	661,543	3,167,892
Average Daily Rate	$115	$117	$106	$112	$149	$134	$164	$113	$139
Rooms Revenue ($000)	$21,027	$22,982	$24,651	$68,640	$127,656	$196,297	$170,670	$74,856	$441,823

2004 BOOKING PATTERNS

Vancouver Downtown	January	February	March	1st Quarter
2003 BOOKINGS	91,341	57,255	58,747	207,343
% Of Rooms Sold	52%	29%	25%	34%
2004 BOOKINGS	98,376	66,478	52,483	217,770
% Of Rooms Sold	55%	34%	23%	36%
2003/2004 VARIANCE	8%	16%	-11%	5%

2004 PKF OUTLOOK versus 2003 ACTUAL

Vancouver Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.0%	0.0%	0.3%
Occupancy Points	-0.1%	0.1%	0.5%	0.2%	4.4%	2.3%	-0.6%	0.3%	1.1%
Occupied Room Nights	0.4%	0.8%	1.5%	1.0%	7.4%	4.6%	-0.8%	0.6%	2.0%
Average Daily Rate	-0.2%	-0.4%	4.6%	1.4%	1.0%	1.6%	1.2%	1.8%	1.3%
Rooms Revenue ($000)	0.2%	0.4%	6.2%	2.4%	8.5%	6.3%	0.4%	2.4%	3.3%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Vancouver Downtown	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	1.0%	-0.3%	-0.5%	0.1%	4.4%	2.2%	3.2%	-1.5%	1.5%
Occupied Room Nights	2.9%	0.0%	-0.3%	0.7%	7.2%	4.4%	3.9%	-2.7%	2.7%
Average Daily Rate	2.7%	1.2%	7.0%	3.7%	3.1%	3.7%	2.8%	0.0%	3.0%
Rooms Revenue ($000)	5.7%	1.2%	6.7%	4.5%	10.5%	8.3%	6.8%	-2.7%	5.7%

Q1'04 CANCELLATIONS	**%**	**ORN**	**Potential**
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

Vancouver Airport

2003 ACTUAL RESULTS

2002 ACTUAL RESULTS

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208
Available Room Nights	378,720	382,928	761,648	387,136	130,448	128,240	130,448	387,136	1,535,920
Occupancy	56%	66%	61%	79%	63%	54%	48%	55%	64%
Occupied Room Nights	211,734	253,943	465,677	306,738	81,921	67,791	62,785	212,497	984,910
Average Daily Rate	$84	$90	$87	$100	$83	$82	$80	$82	$90
Rooms Revenue ($000)	$17,704	$22,945	$40,649	$30,523	$6,783	$5,547	$5,043	$17,373	$88,545

2003 ACTUAL RESULTS

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208
Available Room Nights	378,720	382,928	761,648	387,136	130,448	128,240	130,448	387,136	1,535,920
Occupancy	56%	59%	57%	78%	60%	58%	51%	56%	62%
Occupied Room Nights	212,041	224,390	436,431	302,052	78,138	72,714	67,102	217,955	956,438
Average Daily Rate	$86	$90	$88	$97	$82	$81	$79	$81	$89
Rooms Revenue ($000)	$18,244	$20,209	$38,453	$29,249	$6,421	$5,899	$5,334	$17,655	$85,357

BOOKING PATTERNS

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2002 BOOKINGS	75,641	107,310	182,951	161,326	37,822	19,024	16,329	73,175	417,451
% Of Rooms Sold	36%	42%	39%	53%	46%	28%	26%	34%	42%
2003 BOOKINGS	72,554	74,246	146,800	124,261	33,756	14,325	10,470	58,923	329,984
% Of Rooms Sold	34%	33%	34%	41%	43%	20%	16%	27%	35%
2002/2003 VARIANCE	-4%	-31%	-20%	-23%	-11%	-25%	-36%	-19%	-21%

2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	0.1%	-7.7%	-3.8%	-1.2%	-2.9%	3.9%	3.3%	1.4%	-1.9%
Occupied Room Nights	0.1%	-11.6%	-6.3%	-1.5%	-4.6%	7.3%	6.9%	2.6%	-2.9%
Average Daily Rate	2.9%	-0.3%	0.9%	-2.7%	-0.7%	-0.8%	-1.0%	-0.9%	-0.7%
Rooms Revenue ($000)	3.1%	-11.9%	-5.4%	-4.2%	-5.3%	6.4%	5.8%	1.6%	-3.6%

2003 ACTUAL TO 2003 PKF OUTLOOK

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-0.5%	-8.4%	-4.5%	-2.0%	-3.2%	3.7%	3.1%	1.1%	-2.4%
Occupied Room Nights	-0.8%	-12.5%	-7.2%	-2.5%	-5.1%	6.8%	6.3%	2.1%	-3.7%
Average Daily Rate	1.9%	-1.3%	-0.1%	-3.6%	-2.2%	-2.4%	-2.9%	-2.5%	-1.8%
Rooms Revenue ($000)	1.0%	-13.7%	-7.3%	-6.1%	-7.2%	4.3%	3.3%	-0.5%	-5.5%

2003 ACTUAL TO 2003 INDUSTRY BUDGETS

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.9%	-8.4%	-5.2%	-2.8%	-5.5%	1.6%	3.0%	-0.3%	-3.4%
Occupied Room Nights	-3.3%	-12.6%	-8.3%	-3.4%	-8.4%	2.8%	6.1%	-0.6%	-5.1%
Average Daily Rate	-2.7%	-5.0%	-4.1%	-8.2%	-3.9%	-4.8%	-1.5%	-3.6%	-5.5%
Rooms Revenue ($000)	-6.0%	-16.9%	-12.1%	-11.4%	-11.9%	-2.1%	4.5%	-4.2%	-10.3%

REVENUE VARIANCE SUMMARY

Vancouver Airport	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
2003 Actual versus 2002 Actual ($000)	$540	-$2,737	-$2,196	-$1,273	-$362	$353	$291	$282	-$3,188
2003 Actual versus 2003 PKF Outlook ($000)	$184	-$3,198	-$3,013	-$1,887	-$497	$241	$170	-$87	-$4,987

QUARTER 4 IMPACTS - 2002/2003 ACTUAL RESULTS

MARKET FACTORS	%	ORN	SEGMENTATION	%	ORN
National/Provincial Economic Conditions	49%	2,662	Business Travel	7%	405
Local/Regional Economic Conditions	8%	422	Independent Leisure Travel	59%	3,196
Destination Marketing Promotions/Packages	13%	703	Group Leisure	10%	534
Increased Supply/Competition	5%	265	Meetings/Convention Travel	4%	197
Geopolitical Reasons (Iraq War, Residual 9/11)	0%	-	Government	2%	113
Fear/Impacts Associated with SARS	0%	-	Other	19%	1,013
Other Reasons	26%	1,406			
Total	100%	5,458	**Total**	100%	5,458
GUEST ORIGIN	**%**	**ORN**	**TRANSPORTATION**	**%**	**ORN**
Domestic Travel	50%	2,712	Air	73%	3,961
US Travel	35%	1,902	Automobile	27%	1,497
Overseas Travel	15%	844	Motorcoach	0%	-
			Other	0%	-
Total	100%	5,458	**Total**	100%	5,458

Vancouver Airport

2004 OUTLOOK

2003 ACTUAL RESULTS

Vancouver Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208
Available Room Nights	130,448	117,824	130,448	378,720	382,928	761,648	387,136	387,136	1,535,920
Occupancy	52%	58%	58%	56%	58%	57%	78%	56%	62%
Occupied Room Nights	67,963	68,809	75,268	212,041	224,390	436,431	302,052	217,966	956,438
Average Daily Rate	$87	$87	$85	$86	$90	$88	$97	$81	$89
Rooms Revenue ($000)	$5,890	$5,952	$6,402	$18,244	$20,209	$38,453	$29,249	$17,655	$85,357

2004 PKF OUTLOOK AT JANUARY 1, 2004

Vancouver Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,208	4,208	4,208	4,208	4,208	4,208	4,258	4,333	4,252
Available Room Nights	130,448	117,824	130,448	378,720	382,928	761,648	391,736	398,618	1,552,002
Occupancy	52%	58%	58%	56%	63%	60%	78%	58%	64%
Occupied Room Nights	67,833	68,338	75,660	211,831	242,591	454,422	307,087	229,328	990,837
Average Daily Rate	$89	$89	$87	$88	$92	$90	$100	$83	$92
Rooms Revenue ($000)	$6,037	$6,082	$6,582	$18,702	$22,344	$41,045	$30,709	$19,141	$90,895

2004 INDUSTRY BUDGETS AT JANUARY 1, 2004

Vancouver Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	4,208	4,208	4,208	4,208	4,208	4,208	4,258	4,333	4,252
Available Room Nights	130,448	117,824	130,448	378,720	382,928	761,648	391,736	398,618	1,552,002
Occupancy	57%	68%	63%	62%	71%	67%	78%	54%	66%
Occupied Room Nights	73,981	80,558	82,096	236,636	272,336	508,971	304,220	215,031	1,028,231
Average Daily Rate	$86	$92	$91	$90	$98	$94	$107	$91	$97
Rooms Revenue ($000)	$6,347	$7,403	$7,470	$21,220	$26,703	$47,924	$32,617	$19,558	$100,098

2004 BOOKING PATTERNS

Vancouver Airport	January	February	March	1st Quarter
2003 BOOKINGS	29,834	23,548	22,259	75,641
% Of Rooms Sold	44%	34%	30%	36%
2004 BOOKINGS	28,089	24,711	24,078	75,418
% Of Rooms Sold	41%	36%	32%	36%
2003/2004 VARIANCE	-6%	5%	8%	0%

2004 PKF OUTLOOK versus 2003 ACTUAL

Vancouver Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	3.0%	1.0%
Occupancy Points	-0.1%	-0.4%	0.3%	-0.1%	4.8%	2.4%	0.4%	1.2%	1.6%
Occupied Room Nights	-0.2%	-0.7%	0.5%	-0.1%	8.1%	4.1%	1.7%	5.2%	3.6%
Average Daily Rate	2.7%	2.9%	2.3%	2.6%	2.3%	2.5%	3.3%	3.0%	2.8%
Rooms Revenue ($000)	2.5%	2.2%	2.8%	2.5%	10.6%	6.7%	5.0%	8.4%	6.5%

2004 INDUSTRY BUDGETS versus 2003 ACTUAL

Vancouver Airport	January	February	March	1st Quarter	2nd Quarter	1st Half	3rd Quarter	4th Quarter	Annual
Occupancy Points	4.6%	10.0%	5.2%	6.5%	12.5%	9.5%	-0.4%	-2.4%	4.0%
Occupied Room Nights	8.9%	17.1%	9.1%	11.6%	21.4%	16.6%	0.7%	-1.3%	7.5%
Average Daily Rate	-1.0%	6.2%	7.0%	4.2%	8.9%	6.9%	10.7%	12.3%	9.1%
Rooms Revenue ($000)	7.8%	24.4%	16.7%	16.3%	32.1%	24.6%	11.5%	10.8%	17.3%

Q1'04 CANCELLATIONS	**%**	**ORN**	**Potential**
Geopolitical Reasons	0%	-	$ -
SARS Fallout	0%	-	$ -
Other Reasons	0%	-	$ -
Total	0%	0	$ -
% Of 2003 Total	0%		

9.3 OTHER BRITISH COLUMBIA and YUKON MARKETS

QUARTER 4 2003: RESULTS

Hotel Supply Inventory

- The hotel room inventory changed in all of the British Columbia's other markets. Greater Victoria's accommodations market consisted of an average 5,189 rooms in 2003 retracting by 65 rooms (-1.2%) since 2002. Whistler's accommodation supply was 5,621 rooms, with the addition of 96 new rooms (1.7%) since 2002. The balance of British Columbia's accommodations market consisted of an average 33,707 rooms in 2003, a net increase of 349 rooms (1.0%) since 2002.

- Accommodations inventory in the Yukon (primarily Whitehorse) remained flat at an estimated 1,950 rooms during 2003.

Exhibit 1: 2003 vs. 2002 Annual Results

	Annual 2002		Annual 2003		% Change		Annual 2004	
Market	Occ.	ADR	Occ.	ADR	Demand	ADR	PKF Outlook	
Greater Victoria	67%	$122	66%	$117	-2%	-4%	67%	$120
Whistler	54%	$209	52%	$204	-3%	-2%	54%	$207
Other British Columbia	52%	$89	53%	$91	1%	2%	53%	$94
Yukon	53%	$75	54%	$80	2%	7%	54%	$83

Source: PKF Consulting

Demand and Rate

- In 2003, the Greater Victoria hotel market lost 1 percentage point in occupancy and $5 in rate compared to last year.

- Demand for hotel accommodations were down by 31,000 occupied nights in Greater Victoria equating to a loss of $10 Million in room revenue in 2003.

- Whistler lost 2 occupancy points in 2003 ending up at 52% at a $204 average rate – down $5 from 2002.

- Whistler fell behind by 33,600 occupied nights in 2003, for a loss of close to $12 Million in room revenue compared to last year.

- Other British Columbia markets finished 2003 at 53% occupancy (a one point decline) with a $91 rate – $2 increase in average rate.

- The balance of British Columbia gained over 76,000 occupied room nights in the 2003, equating to a gain of $19 Million in room revenue.

- The Yukon hotel market achieved 54% occupancy and an $80 rate in 2003, up 1 point in occupancy and $5 in rate compared to 2002.

- Demand for Yukon accommodations rose by 6,800 occupied room nights (1.8%) in 2003 compared to the year prior, which represents an additional $2.5 Million in room revenues.

9.3 OTHER BRITISH COLUMBIA and YUKON MARKETS

QUARTER 4 2003: RESULTS

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GREATER VICTORIA 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254
Available Room Nights	472,860	478,114	950,974	483,368	162,874	157,620	162,874	483,368	1,917,710
Occupancy	56%	75%	66%	83%	64%	49%	43%	52%	67%
Occupied Room Nights	265,390	360,679	626,069	402,300	104,402	77,391	70,329	252,123	1,280,492
Average Daily Rate	$84	$125	$108	$160	$106	$92	$91	$98	$122
Rooms Revenue ($000)	$22,288	$45,208	$67,496	$64,543	$11,081	$7,138	$6,429	$24,648	$156,687

2003 PKF OUTLOOK AT JANUARY 1, 2003

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189
Available Room Nights	467,010	472,199	939,209	477,388	160,859	155,670	160,859	477,388	1,893,985
Occupancy (2% Demand Growth)	58%	78%	68%	86%	66%	51%	45%	54%	69%
Occupied Room Nights	270,698	367,893	638,591	410,348	106,490	78,939	71,736	257,165	1,306,102
Average Daily Rate (2% Growth)	$86	$128	$110	$164	$108	$94	$93	$100	$125
Rooms Revenue ($000)	$23,188	$47,035	$70,222	$67,151	$11,529	$7,426	$6,688	$25,644	$163,017

2003 ACTUAL RESULTS

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189	5,189
Available Room Nights	467,010	472,199	939,209	477,388	160,859	155,670	160,859	477,388	1,893,985
Occupancy	57%	73%	65%	81%	67%	50%	41%	53%	66%
Occupied Room Nights	265,272	346,099	611,371	386,170	108,419	78,458	65,341	252,218	1,249,759
Average Daily Rate	$83	$119	$104	$151	$108	$92	$92	$99	$117
Rooms Revenue ($000)	$22,115	$41,178	$63,294	$58,399	$11,758	$7,210	$6,036	$25,004	$146,697

2004 PKF OUTLOOK AT JANUARY 1, 2004

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	5,189	5,189	5,189	5,189				5,189	5,189
Available Room Nights	467,010	472,199	939,209	477,388				477,388	1,893,985
Occupany	56%	75%	66%	83%				52%	67%
Occupied Room Nights	262,107	356,217	618,324	397,323				249,004	1,264,651
Average Daily Rate	$82	$123	$106	$158				$96	$120
Rooms Revenue ($000)	$21,484	$43,914	$65,398	$62,854				$23,784	$152,037

GREATER VICTORIA 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	-1.2%	-1.2%	-1.2%	-1.2%	-1.2%	-1.2%	-1.2%	-1.2%	-1.2%
Occupancy Points	0.7%	-2.1%	-0.7%	-2.3%	3.3%	1.3%	-2.6%	0.7%	-0.8%
Occupied Room Nights	0.0%	-4.0%	-2.3%	-4.0%	3.8%	1.4%	-7.1%	0.0%	-2.4%
Average Daily Rate	-0.7%	-5.1%	-4.0%	-5.7%	2.2%	-0.4%	1.1%	1.4%	-4.1%
Rooms Revenue ($000)	-0.8%	-8.9%	-6.2%	-9.5%	6.1%	1.0%	-6.1%	1.4%	-6.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.2%	-4.6%	-2.9%	-5.1%	1.2%	-0.3%	-4.0%	-1.0%	-3.0%
Occupied Room Nights	-2.0%	-5.9%	-4.3%	-5.9%	1.8%	-0.6%	-8.9%	-1.9%	-4.3%
Average Daily Rate	-2.7%	-6.9%	-5.9%	-7.6%	0.2%	-2.3%	-0.9%	-0.6%	-6.0%
Rooms Revenue ($000)	-4.6%	-12.5%	-9.9%	-13.0%	2.0%	-2.9%	-9.8%	-2.5%	-10.0%

2003 ACTUAL TO 2004 PKF OUTLOOK

Greater Victoria	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	-0.7%	2.1%	0.7%	2.3%				-0.7%	0.8%
Occupied Room Nights	-1.2%	2.9%	1.1%	2.9%				-1.3%	1.2%
Average Daily Rate	-1.7%	3.6%	2.2%	4.6%				-3.6%	2.4%
Rooms Revenue ($000)	-2.9%	6.6%	3.3%	7.6%				-4.9%	3.6%
Variance to 2003 PKF Forecast ($000)	*-$1,073*	*-$5,856*	*-$6,929*	*-$8,752*	*$229*	*-$216*	*-$653*	*-$640*	*-$16,320*
Variance to 2002 Actuals ($000)	*-$172*	*-$4,030*	*-$4,202*	*-$6,144*	*$677*	*$72*	*-$393*	*$356*	*-$9,990*

WHISTLER 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,495	5,495	5,495	5,495	5,615	5,615	5,615	5,615	5,525
Available Room Nights	494,550	500,045	994,595	505,540	174,065	168,450	174,065	516,580	2,016,715
Occupancy	79%	47%	63%	55%	24%	22%	65%	37%	54%
Occupied Room Nights	389,299	235,520	624,819	278,583	42,298	37,564	113,264	193,126	1,096,528
Average Daily Rate	$281	$165	$237	$145	$107	$124	$273	$208	$209
Rooms Revenue ($000)	$109,408	$38,819	$148,227	$40,485	$4,544	$4,641	$30,931	$40,116	$228,828

2003 PKF OUTLOOK AT JANUARY 1, 2003

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,615	5,615	5,615	5,615	5,640	5,640	5,640	5,640	5,621
Available Room Nights	505,350	510,965	1,016,315	516,580	174,840	169,200	174,840	518,880	2,051,775
Occupancy (1.5% Demand Growth)	78%	47%	62%	54%	25%	23%	66%	38%	54%
Occupied Room Nights	395,138	238,293	633,431	280,711	42,932	38,128	114,983	196,043	1,110,185
Average Daily Rate (1.5% Growth)	$285	$167	$241	$149	$109	$125	$277	$211	$212
Rooms Revenue ($000)	$112,715	$39,871	$152,586	$41,709	$4,681	$4,781	$31,866	$41,328	$235,623

2003 ACTUAL RESULTS

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	5,615	5,615	5,615	5,615	5,640	5,640	5,640	5,640	5,621
Available Room Nights	505,350	510,965	1,016,315	516,580	174,840	169,200	174,840	518,880	2,051,775
Occupancy	76%	40%	58%	53%	23%	24%	66%	38%	52%
Occupied Room Nights	385,633	204,953	590,585	274,165	40,388	40,608	115,150	196,146	1,060,896
Average Daily Rate	$277	$158	$236	$137	$98	$115	$274	$205	$204
Rooms Revenue ($000)	$106,777	$32,430	$139,206	$37,587	$3,948	$4,656	$31,551	$40,155	$216,948

2004 PKF OUTLOOK AT JANUARY 1, 2004

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	5,640	5,640	5,640	5,795				5,852	5,732
Available Room Nights	507,600	513,240	1,020,840	533,140				538,348	2,092,328
Occupany	76%	45%	61%	57%				37%	54%
Occupied Room Nights	387,350	232,447	619,797	302,788				199,529	1,122,114
Average Daily Rate	$280	$163	$236	$146				$207	$207
Rooms Revenue ($000)	$108,334	$37,973	$146,307	$44,329				$41,385	$232,017

WHISTLER 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	2.2%	2.2%	2.2%	2.2%	0.4%	0.4%	0.4%	0.4%	1.7%
Occupancy Points	-2.4%	-7.0%	-4.7%	-1.8%	-1.2%	1.7%	0.8%	0.4%	-2.6%
Occupied Room Nights	-0.9%	-13.0%	-5.5%	-1.6%	-4.5%	8.1%	1.7%	1.6%	-3.1%
Average Daily Rate	-1.5%	-4.0%	-0.6%	-6.3%	-9.0%	-7.2%	0.3%	-1.4%	-2.2%
Rooms Revenue ($000)	-2.4%	-16.5%	-6.1%	-7.2%	-13.1%	0.3%	2.0%	0.1%	-5.2%

2003 ACTUAL TO 2003 PKF OUTLOOK

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.9%	-6.5%	-4.2%	-1.3%	-1.5%	1.5%	0.1%	0.0%	-2.4%
Occupied Room Nights	-2.4%	-14.0%	-6.8%	-2.3%	-5.9%	6.5%	0.2%	0.1%	-4.4%
Average Daily Rate	-2.9%	-5.4%	-2.2%	-7.7%	-10.4%	-8.0%	-1.1%	-2.9%	-3.8%
Rooms Revenue ($000)	-5.3%	-18.7%	-8.8%	-9.9%	-15.7%	-2.6%	-1.0%	-2.8%	-7.9%

2003 ACTUAL TO 2004 PKF OUTLOOK

Whistler	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.4%	0.4%	0.4%	3.2%				3.8%	2.0%
Occupancy Points	0.0%	5.2%	2.6%	3.7%				-0.7%	1.9%
Occupied Room Nights	0.4%	13.4%	4.9%	10.4%				1.7%	5.8%
Average Daily Rate	1.0%	3.2%	0.1%	6.8%				1.3%	1.1%
Rooms Revenue ($000)	1.5%	17.1%	5.1%	17.9%				3.1%	6.9%
Variance to 2003 PKF Forecast ($000)	-$5,938	-$7,441	-$13,380	-$4,122	-$733	-$125	-$315	-$1,173	-$18,675
Variance to 2002 Actuals ($000)	-$2,632	-$6,390	-$9,021	-$2,898	-$596	$15	$620	$39	-$11,881

OTHER B.C. 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	33,250	33,267	33,259	33,378	33,533	33,533	33,533	33,533	33,350
Available Room Nights	2,992,500	3,027,340	6,019,840	3,070,776	1,039,523	1,005,990	1,039,523	3,085,036	12,175,652
Occupancy	44%	55%	49%	69%	54%	40%	33%	42%	52%
Occupied Room Nights	1,303,034	1,658,193	2,961,227	2,117,217	559,263	403,402	345,122	1,307,787	6,386,231
Average Daily Rate	$74	$87	$81	$105	$84	$77	$82	$81	$89
Rooms Revenue ($000)	$96,943	$144,089	$241,032	$223,333	$47,252	$31,042	$28,231	$106,525	$570,889

2003 PKF OUTLOOK AT JANUARY 1, 2003

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	33,641	33,670	33,655	33,724	33,794	33,794	33,794	33,794	33,707
Available Room Nights	3,027,670	3,063,928	6,091,598	3,102,562	1,047,614	1,013,820	1,047,614	3,109,048	12,303,208
Occupancy (2% Demand Growth)	44%	55%	50%	70%	54%	41%	34%	43%	53%
Occupied Room Nights	1,329,086	1,691,357	3,020,451	2,159,561	570,449	411,470	352,024	1,333,943	6,513,955
Average Daily Rate (2% Growth)	$76	$89	$83	$108	$86	$78	$83	$83	$91
Rooms Revenue ($000)	$100,860	$149,908	$250,768	$232,356	$49,161	$32,296	$29,371	$110,828	$593,953

2003 ACTUAL RESULTS

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	33,641	33,670	33,655	33,724	33,794	33,794	33,794	33,794	33,707
Available Room Nights	3,027,670	3,063,928	6,091,598	3,102,562	1,047,614	1,013,820	1,047,614	3,109,048	12,303,208
Occupancy	43%	56%	49%	67%	54%	42%	36%	44%	53%
Occupied Room Nights	1,292,800	1,717,989	3,010,789	2,092,829	562,580	422,763	372,951	1,358,292	6,461,880
Average Daily Rate	$78	$90	$84	$107	$85	$79	$82	$82	$91
Rooms Revenue ($000)	$100,292	$153,984	$254,276	$223,964	$47,976	$33,246	$30,586	$111,808	$590,048

2004 PKF OUTLOOK AT JANUARY 1, 2004

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	33,794	33,798	33,796	33,808				33,808	33,801
Available Room Nights	3,041,460	3,075,614	6,117,074	3,110,152				3,110,152	12,337,378
Occupany	43%	57%	50%	70%				43%	53%
Occupied Room Nights	1,298,568	1,753,456	3,052,024	2,179,136				1,348,521	6,579,680
Average Daily Rate	$80	$89	$85	$111				$86	$94
Rooms Revenue ($000)	$103,659	$155,619	$259,278	$240,843				$116,395	$616,516

OTHER B.C. 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1.2%	1.2%	1.2%	1.0%	0.8%	0.8%	0.8%	0.8%	1.0%
Occupancy Points	-0.8%	1.3%	0.2%	-1.9%	-0.1%	1.6%	2.4%	1.3%	0.1%
Occupied Room Nights	-0.8%	3.6%	1.7%	-1.2%	0.6%	4.8%	8.1%	3.9%	1.2%
Average Daily Rate	4.3%	3.1%	3.8%	1.9%	0.9%	2.2%	0.3%	1.1%	2.1%
Rooms Revenue ($000)	3.5%	6.9%	5.5%	0.3%	1.5%	7.1%	8.3%	5.0%	3.4%

2003 ACTUAL TO 2003 PKF OUTLOOK

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	-1.2%	0.8%	-0.2%	-2.2%	-0.8%	1.1%	2.0%	0.8%	-0.4%
Occupied Room Nights	-2.7%	1.6%	-0.3%	-3.1%	-1.4%	2.7%	5.9%	1.8%	-0.8%
Average Daily Rate	2.2%	1.1%	1.7%	-0.5%	-1.0%	0.2%	-1.7%	-0.9%	0.1%
Rooms Revenue ($000)	-0.6%	2.7%	1.4%	-3.6%	-2.4%	2.9%	4.1%	0.9%	-0.7%

2003 ACTUAL TO 2004 PKF OUTLOOK

Other British Columbia	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.5%	0.4%	0.4%	0.2%				0.0%	0.3%
Occupancy Points	0.0%	0.8%	0.5%	2.6%				-0.3%	0.8%
Occupied Room Nights	0.4%	2.1%	1.4%	4.1%				-0.7%	1.8%
Average Daily Rate	2.9%	-1.0%	0.6%	3.3%				4.8%	2.6%
Rooms Revenue ($000)	3.4%	1.1%	2.0%	7.5%				4.1%	4.5%
Variance to 2003 PKF Forecast ($000)	-$568	$4,075	$3,507	-$8,391	-$1,185	$950	$1,214	$979	-$3,905
Variance to 2002 Actuals ($000)	$3,349	$9,895	$13,244	$631	$724	$2,204	$2,355	$5,283	$19,159

YUKON 2002/2003 OUTLOOKS & RESULTS

2002 ACTUAL RESULTS

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Available Room Nights	175,500	177,450	352,950	179,400	60,450	58,500	60,450	179,400	711,750
Occupancy	45%	56%	50%	66%	46%	47%	38%	45%	53%
Occupied Room Nights	78,712	96,761	175,473	118,877	28,741	27,720	23,072	81,143	375,492
Average Daily Rate	$62	$77	$70	$83	$70	$87	$68	$75	$75
Rooms Revenue ($000)	$4,900	$7,405	$12,305	$9,840	$2,070	$2,425	$1,570	$6,066	$28,211

2003 PKF OUTLOOK AT JANUARY 1, 2003

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Available Room Nights	175,500	177,450	352,950	179,400	60,450	58,500	60,450	179,400	711,750
Occupancy (2% Demand Growth)	46%	56%	51%	68%	50%	48%	40%	46%	54%
Occupied Room Nights	80,286	98,696	178,982	121,254	30,336	28,284	24,146	82,765	383,002
Average Daily Rate (3% Growth)	$64	$79	$72	$85	$72	$90	$68	$77	$77
Rooms Revenue ($000)	$5,148	$7,780	$12,928	$10,338	$2,175	$2,548	$1,650	$6,373	$29,638

2003 ACTUAL RESULTS

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Available Room Nights	175,500	177,150	352,950	179,400	60,450	58,500	60,450	179,400	711,750
Occupancy	46%	55%	51%	72%	46%	42%	37%	41%	54%
Occupied Room Nights	80,501	98,343	178,893	129,356	27,626	24,330	22,078	74,038	382,287
Average Daily Rate	$71	$81	$76	$89	$82	$81	$64	$77	$80
Rooms Revenue ($000)	$5,684	$7,922	$13,606	$11,478	$2,278	$1,981	$1,408	$5,666	$30,750

2004 PKF OUTLOOK AT JANUARY 1, 2004

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	1,950	1,950	1,950	1,950				1,950	1,950
Available Room Nights	175,500	177,430	352,950	179,400				179,400	711,750
Occupany	46%	55%	51%	72%				41%	54%
Occupied Room Nights	80,847	97,539	178,386	129,356				74,038	381,780
Average Daily Rate	$70	$84	$78	$91				$82	$83
Rooms Revenue ($000)	$5,647	$8,180	$13,827	$11,743				$6,100	$31,670

YUKON 2003 INDUSTRY IMPACTS

2003 ACTUAL TO 2002 ACTUAL

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Occupancy Points	1.0%	0.9%	1.0%	5.8%	-3.5%	-5.8%	-2.6%	-4.0%	1.0%
Occupied Room Nights	2.3%	1.6%	1.9%	8.8%	-7.1%	-12.2%	-6.7%	-8.8%	1.8%
Average Daily Rate	13.4%	5.3%	8.5%	7.2%	18.5%	-6.9%	-4.0%	2.4%	7.1%
Rooms Revenue ($000)	16.0%	7.0%	10.6%	16.6%	10.0%	-18.3%	-10.5%	-6.6%	9.0%

2003 ACTUAL TO 2003 PKF OUTLOOK

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter	October	November	December	4th Quarter	Annual
Occupancy Points	0.2%	-0.2%	0.0%	4.5%	-4.5%	-6.7%	-3.4%	-4.9%	-0.1%
Occupied Room Nights	0.3%	-0.4%	0.0%	6.7%	-8.9%	-14.0%	-8.6%	-10.5%	-0.2%
Average Daily Rate	10.1%	2.2%	5.3%	4.1%	15.0%	-9.6%	-6.8%	-0.6%	3.9%
Rooms Revenue ($000)	10.4%	1.8%	5.3%	11.0%	4.7%	-22.2%	-14.8%	-11.1%	3.8%

2003 ACTUAL TO 2004 PKF OUTLOOK

TOTAL YUKON	1st Quarter	2nd Quarter	1st Half	3rd Quarter				4th Quarter	Annual
Inventory	0.0%	0.0%	0.0%	0.0%				0.0%	0.0%
Occupancy Points	0.2%	-0.5%	-0.1%	0.0%				0.0%	-0.1%
Occupied Room Nights	0.4%	-0.8%	-0.3%	0.0%				0.0%	-0.1%
Average Daily Rate	-1.0%	4.1%	1.9%	2.3%				7.7%	3.1%
Rooms Revenue ($000)	-0.7%	3.3%	1.6%	2.3%				7.7%	3.0%
Variance to 2003 PKF Forecast ($000)	$537	$142	$679	$1,140	$103	-$566	-$244	-$707	$1,112
Variance to 2002 Actuals ($000)	$785	$517	$1,301	$1,638	$208	-$444	-$164	-$400	$2,540